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AF/2132
#23
10/3

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Date of Deposit:	6/4/2004	Name of Person Making the Deposit:	Rhonda Dunn	Signature of the Person Making the Deposit:	<i>Rhonda Dunn</i>
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In re Application of: Peppel, et al

Serial No. : 09/735,586

Filed: 12/12/2000

Docket No.: OOMP0001C

Art. Unit: 2132

Examiner: LANIER, Benjamin

Title: Electronic Trading Card

June 4, 2004

Commissioner for Patents

Attn: Board of Patent Appeals

P.O. Box 1450

Alexandria, VA 22313-1450

RECEIVED

JUN 09 2004

Technology Center 2100

Attached to this transmittal coversheet please find the following documents:

1. Appeal Brief and Exhibits A, B, and C (submitted in triplicate); and
2. Return Postcard



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF APPEALS

Appellant: Peppel

Serial No. 09/735,586

Filed: 12/12/00

For: Electronic Trading Card

Group Art Unit: 2132

Examiner: Lanier, Benjamin

Appeal Filed: 5/5/04

Appeal No.: * * * * *

Date: June 4, 2004

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BRIEF ON APPEAL

This brief is submitted in triplicate pursuant to Appellant's appeal to the Board from the decision of the Examiner mailed 3/5/04, in which Claims 1-9, 11, 12, and 25-32 were rejected. The rejection of Claims 1-9, 11, 12, and 25-32 is hereby appealed. No oral hearing is requested.

REAL PARTY IN INTEREST

Tyler Peppel; 1620 Chemin Bartlemey Vera, 13290 Aix-en Provence, France

RELATED APPEALS AND INTERFERENCES

None.

STATUS OF CLAIMS

Claims 1-9, 11, 12, and 25-32

Pending/Appealed

STATUS OF AMENDMENTS

N/A

SUMMARY OF THE INVENTION

The invention provides a system for the application of a trading card metaphor to a disassociated computer program and the unique design of several hardware and software systems which support and enhance collecting, trading, game playing, and creating of digital electronic trading cards (page 8, lines 24-29). Thus, the invention takes the traditional trading card metaphor and uniquely updates and enhances it for application in consumer digital media.

The invention includes an electronic hardware and software architecture for electronic trading cards (ETCs) (Fig. 2) (page 10, line 33 to page 11, line 2) (Fig. 8) (page 18, lines 1-19). The invention has a number of components that function together as a system that support making electronic trading cards, trading electronic trading cards, activities (such as game playing) with electronic trading cards, and collecting electronic trading cards (page 8, line 31 to page 9, line 5) (Figs. 3 and 5) (page 11, lines 4-27).

The Electronic Trading Card format (Fig. 1) (page 9, lines 14-19) is embodied in all components of the electronic trading card system. These components are designed to generate and accept a shared proprietary electronic trading card format, so that, for example, a card created in a card-making application can be recognized by an electronic trading card album. The card format is also important because it supports the concepts of scarcity (page 11, line 29 to page 12, line 9)

and authenticity (page 12, lines 11-24) (essential to card collecting and trading) within a disassociated computer code segment.

ETCs have a proprietary data format (Fig. 1) (page 9, line 21 to page 10, line 14) made up of a number of components, including:

- a) ETC Header Identification (23), i.e.. an ASCII string which uniquely identifies the ETC and a lock and key mechanism to limit access and impose password protection if desired;
- b) ETC Graphic Identification (25), such as audio visual logo, copyright notice, company information;
- c) Multimedia Data (27), such as animation, video, pictures, sounds, text;
- d) Pointers to external data and programs embedded in scripts which trigger the display of external media or run external applications (44);
- e) Utility Programs (28), such as copy protection, printing, telecommunications protocols, self destruction (erasing) routines;
- f) Applications, including incomplete linkable code segments, games, puzzles, and utilities (39); and

g) User Writable Area (29) for personalization, ASCII messages, voice recording, score keeping.

ISSUES

The issues to be determined by the Board pursuant to this Appeal are:

I. Whether Claims 1—7, 9, and 25-32 are anticipated by Smith et al. (U.S. Patent No. 5,533,124) under 35 USC §102(e).

II. Whether Claim 8 is unpatentable over Smith et al. (U.S. Patent No. 5,533,124) in view of Cooper (U.S. Patent No. 5,757,907) under 35 USC §103(a).

III. Whether Claims 11 and 12 are unpatentable over Smith et al. (U.S. Patent No. 5,533,124) in view of Welsh (U.S. Patent No. 4,970,666) under 35 USC §103(a).

GROUPING OF CLAIMS

Group I comprises Claims 1-9, 11, 12, and 25-32. Claims 1-9, 11, 12, and 25-32 stand or fall together.

ARGUMENT

GENERAL STATEMENTS

I. Claims 1—7, 9, and 25-32 are not anticipated by Smith et al. (U.S. Patent No. 5,533,124) under 35 USC §102(e).

II. Claim 8 is not unpatentable over Smith et al. (U.S. Patent No. 5,533,124) in view of Cooper (U.S. Patent No. 5,757,907) under 35 USC §103(a).

III. Claims 11 and 12 are not unpatentable over Smith et al. (U.S. Patent No. 5,533,124) in view of Welsh (U.S. Patent No. 4,970,666) under 35 USC §103(a).

THE REJECTION OF CLAIMS 1-9, 11, 12, and 25-32

I. Claims 1—7, 9, and 25-32 are not anticipated by Smith *et al.* (U.S. Patent No. 5,533,124) under 35 USC §102(e).

The reference cited by the Examiner as the basis for this objection was U.S. Patent No. 5,533,124, issued to Smith et al (the “Smith” patent). Smith issued on July 2, 1996 and was filed on December 7, 1994. Smith does not claim the same invention as that claimed in the application. The subject patent application was filed on March

6, 1995, less than one year after Smith was filed. The invention which is the subject matter of the application was conceived at least as early as September 7, 1994.

Applicant maintains that Smith is not available as prior art in this application in view of Applicant's Declaration pursuant to 37 CFR § 1.131, which clearly and unambiguously establishes Applicant's conception and diligent reduction to practice prior to Smith's filing date.

The Examiner has maintained that the evidence as submitted with Applicant's 1.131 Declaration is insufficient to establish diligence from a date prior to the date of reduction to practice of the Smith reference to either a constructive reduction to practice or an actual reduction to practice. In particular, in the Office Action dated 3/5/04 the Examiner has stated that:

The evidence submitted is insufficient to establish diligence from a date prior to the date of reduction to practice of the Smith reference to either a constructive reduction to practice or an actual reduction to practice.

[citations omitted]

Applicant's evidence does not show a reduction to practice of the content scarcity and content authentication portions of the claimed invention. As disclosed in applicant's specification (page 10), content scarcity and content authentication in electronic trading cards is generated using user

skills such as solving puzzles or a series of games to effect or change the ETC, timing by way of ETC self destruction, limited time availability, time stamps, copy protection using public/private key encryption, limited manufacturing, and random distribution of partial sets. The evidence of record merely discloses finding a missing card at a local trade card store and searching for a rare card. This evidence does not support the specification (page 10) of the current application with regards to content scarcity and content authentication (mentioned above) presented on page 10 of the specification as it relates to the claimed invention.

Applicant respectfully disagrees.

Applicant's "evidence" which accompanied Applicant's response, dated 11/14/02 (for example, the Declaration Under 37 CFR 1.132 – Tyler Peppel, submitted in the parent application of the pending application) is attached hereto as Exhibit "B." Applicant's response dated 5 May 2003 (attached hereto as Exhibit "C") discussed Applicant's evidence in detail.

In particular, Applicant directs the Board to the discussion in Exhibit "C" beginning on page 3, line 4. Applicant notes that nowhere in the above-identified Office Action does the Examiner address Applicant's argument in any substantive way. Rather, the Examiner merely states the evidence submitted "does not show a reduction to practice of the content scarcity and content authentication portions of the claimed invention." In support of this contention, the Examiner refers to page 10 of the

Specification and indicates that the discussion there does not coincide with the discussion in Applicant's evidence, *i.e.* :

"The evidence of record merely discloses finding a missing card at a local trade card store and searching for a rare card. This evidence does not support the specification (page 10) of the current application with regards to content scarcity and content authentication (mentioned above) presented on page 10 of the specification as it relates to the claimed invention."

Yet, page 22 (and the pages thereafter) of the specification provides a "Card Collecting Scenario," and also continues to provide several additional scenarios relating to card scarcity and authenticity, all of which appear in Applicant's evidence. Thus, the Examiner has either ignored or overlooked significant portions of Applicant's evidence, as well as the faithful reproduction of such evidence in Applicant's specification.

The evidence of record talks about a "rare" movie card. Applicant has pointed out that the word "rare" is synonymous with the word "scarce." The Examiner has not contradicted Applicant's statement and has not in any way addressed the substance of Applicant's statement.

Applicant has also provided numerous other examples in the above-mentioned Response. Applicant has pointed out the similarities between the supporting material

in the Declaration and the Specification (see page 5 of Applicant's above-referenced Response). For example, the discussion on page 22 in the application as originally filed concerns a "rare movie card" which is identical to that described in document BC2 of the 1.131 Declaration. The Examiner has not commented on the adequacy of this supporting information, or pointed at how it fails to disclose "scarcity" when it is clearly concerned with scarcity, and where the language in the Specification is identical to that in Applicant's supporting materials.

The Board is referred to Applicant's supporting documentation. In particular, in document BC2 dated 12/4/94, on the page entitled "Card Activities," item number 6 states that "[Jason]... has a set of ten completed Castle Quest cards-each personalized with his name. Only those who have solved Castle Quest have such a set of ten clue cards. Jason is the envy of his friends at school." (Emphasis added) Clearly only those who have solved Castle Quest have a completed set of Castle Quest cards. The completed set of cards is scarce and that is why Jason is the envy of friends at his school.

Applicant has thus produced more than a reasonable amount of evidence on the point of having had possession of the invention and having reduced the invention to practice. Applicant has carried its reasonable burden of proof. This theme of scarcity and authentication is carried on in Applicant's document on further pages under the title "Card Collecting Period." The Board is also referred to document C4, dated 9/7/94, which shows a security screen, which concerns the issue of authenticity; and Document C8, dated 9/7/94, which concerns e-card security.

The Board is referred to the decision of the Board of Appeals in the parent application to this application. With regard to diligent reduction to practice the Board there noted that "...we agree with counsel's statement that, that..."[i]t is not unreasonable to expect the preparation of a patent application to take the interval from December 2, 1994 until March 6, 1995..." The Board of Appeals then suggested a Declaration of Counsel be provided setting forth the dates for establishing progress towards such filing. Applicant has provided such Declaration. However, on this account the Examiner has taken the position that the submission of the Declaration of Counsel..."has failed to establish diligence of reduction to practice because no where in the above-mention submissions is card scarcity and card authentication discussed or disclosed." In fact, the patent application is acknowledged by the Examiner to contain such information. It is the patent application that was prepared by counsel during this period where supposedly there was no diligence. Counsel's preparation of the subject application effects constructive reduction to practice.

The Examiner maintains that the evidence does not support the concepts of card scarcity and card authenticity, although Applicant has painstakingly pointed this out and discussed this with the Examiner. Further, there is no requirement that the reduction to practice of counsel showing the time lapse was reasonable in the preparation of a patent application should show any further reduction to practice on the part of the Applicant. Diligent reduction to practice is established for the Applicant in Applicant's supporting documents. Counsel's statement merely

establishes that the time necessary for proper preparation of a patent application did not result in a lack of diligence on the part of Applicant.

Applicant has established beyond any reasonable doubt that Applicant was in possession of the invention at the critical dates with regard to the Smith reference and that Applicant diligently reduced the invention to practice. The burden is not on Applicant to provide any additional evidence in support of this position. The presumption of adequacy belongs to Applicant and it is up to the Examiner to establish the inadequacy. The Examiner has failed to give the Applicant the benefit of the doubt. A mere conclusory statement is not evidence of inadequacy. The Applicant refers the Board to page 2, item 3 (page 2) of the Office Action of 11/24/03. The Board is directed to the fact that the Examiner is incorrect in insisting that some different level of diligence be exhibited, *i.e.* diligent reduction of practice requires a showing in addition to that in the supporting materials and that in the patent application prepared which resulted in constructive reduction to practice. If additional evidence is required by the statute, Applicant's request that the Examiner identify what is meant by such additional information remains unanswered. Applicant is unaware of any requirement in the statute or the MPEP for such information.

Legal Precedent

This area of the law is relatively settled and is not fraught with controversy. In support of Applicant's understanding of the proper standard to apply with regard to

evidence in connection with a 1.131 Declaration, Applicant cites *In re Hostettler* (356 F.2d 562, 148 U.S.P.Q. 514; C.C.P.A. 1966), where it is stated:

Rule 131 requires applicant to make oath to facts showing a completion 'of the invention.' That requirement does not mean affiant must show a reduction to practice of every embodiment of the invention. Nor is that requirement coextensive with the amount of disclosure necessary to support a claim under 35 U.S.C. 112. ... [O]ne of ordinary skill in the art would be satisfied from the facts shown in the affidavit that appellants had completed *the invention* as defined in the claims. ... Certainly appellants should not be required to submit facts under Rule 131 showing that they reduced to practice that which is obvious in addition to those facts offered as showing a completion of the invention, for the purpose of antedating a reference.

See, also, *In re Spiller* (500F.2d 1170, 182 U.S.P.Q. 614; C.C.P.A. 1974).

Here, the Examiner has apparently placed a different burden of proof on Applicant, as well as adding requirements that are not in the Rule. For example, Applicant does not read the Rule to require that reduction to practice be shown by a strict correspondence between Applicant's early documents which support conception and Applicant's documents which show reduction to practice. In the course of reducing the invention to practice, the inventor will add or change some of his ideas. Nonetheless, here the Applicant shows sufficient reduction to practice in its

original documents which bear a date prior to the filing data of the Smith reference. Further, Applicant has already demonstrated diligence in preparing and filing a patent application based upon such early documents.

II. Claim 8 is not unpatentable over Smith et al. (U.S. Patent No. 5,533,124) in view of Cooper (U.S. Patent No. 5,757,907) under 35 USC §103(a).

In view of Applicant's discussion above, this issue is moot, *i.e.* the Examiner should be reversed.

III. Claims 11 and 12 are not unpatentable over Smith et al. (U.S. Patent No. 5,533,124) in view of Welsh (U.S. Patent No. 4,970,666) under 35 USC §103(a).

In view of Applicant's discussion above, this issue is moot, *i.e.* the Examiner should be reversed.

SUMMARY AND CONCLUSION

The Smith patent, is not to be applied against the present application at least on the basis of the Declarations Under 37 CFR § 1.131. Applicant has demonstrated a correspondence of the early documents which show both conception and reduction to practice and the patent application, especially in connection with the claim terms relating to scarcity and authenticity. The Examiner's intransigence here is tantamount to an arbitrary application of the law, where the law is clear. This has

significantly increased the delay in the inventor receiving his grant of patent, and substantially increased the costs to this individual inventor in pursuing these rights. A prompt and favorable disposition of this matter is earnestly solicited.

Accordingly, all of Appellant's pending claims are directed to subject matter that is patentable over Smith and the application should be allowed to issue as a U.S. patent.

Respectfully Submitted,

A handwritten signature in black ink, consisting of a stylized 'M' followed by a long horizontal stroke that curves slightly upwards at the end.

Michael A. Glenn

Reg. No. 30,176

Attorney For Appellant

Telephone No. (650) 474-8400



Exhibit A – The Claims on Appeal

1. (Original) A system for the exchange of digital content, comprising:

- a disassociated computer code segment embodied in a tangible medium;
- said computer code segment expressing said digital content;
- said computer code segment further embodied in an electronic format that supports content scarcity and content authenticity;
- a header identification code that uniquely identifies said computer code segment;
- an optional lock and key mechanism to limit access and impose password protection on said computer code segment;
- a computer code segment graphic identification code that may include any of an audio visual logo, a copyright notice, and company information;
- multimedia data that may include any of animation, video, pictures, sounds, and text;
- optional pointers to external data and programs embedded in scripts that trigger the display of external media and/or run external applications;
- optional utility programs;
- optional applications, including any of incomplete linkable code segments and utilities; and
- an optional user writable area for any of personalization, messages, voice recording, and image storage.

2. (Original) The system of Claim 1, said utility programs further comprising any of:
copy protection schemes, print drivers, telecommunications protocols, and self destruction routines.
3. (Original) The system of Claim 1, wherein said computer code segment is transportable across a wide range of digital media, including CD-ROM, networked servers, fixed discs, floppy discs, data cards, writable optical storage, and RAM.
4. (Original) The system of Claim 1, wherein said computer code segment employs timing to generate scarcity in any of the following ways:
said computer code segment self-destructs and/or self erases after a given time has elapsed;
said computer code segment is made available for limited times on on-line systems; and
said computer code segment is time stamped.
5. (Original) The system of Claim 1, wherein said computer code segment is copy protected to limit the number of times said computer code segment can be used or copied.
6. (Original) The system of Claim 5, said computer code segment further comprising:
public-key/private-key encryption means for detecting illegal copying.

7. (Original) The system of Claim 1, wherein said computer code segment is randomly distributed in partial sets.

8. (Original) The system of Claim 1, further comprising:

a runtime engine that must be present in a local computing device for a user to use said computer code segment, said runtime engine including media handlers and display routines, a timing mechanism, display management, and input handlers.

9. (Previously amended) A system for the exchange of digital content, comprising:

a disassociated computer code segment embodied in a tangible medium;

said computer code segment expressing said digital content;

said computer code segment further embodied in an electronic format that supports content scarcity and content authenticity; and

wherein said digital content comprises any of sports material, game material, and entertainment material

10. (Canceled)

11. (Original) The system of Claim 9, further comprising:

at least one digital content library; and

means for organizing, sequencing, and customizing said digital content from said at least one digital content library.

12. (Original) The system of Claim 9, further comprising:

at least one album of computer code segments, wherein said at least one album is used for management and collection of any number from a few up to thousands of computer code segments that an end user has collected.

13. (Canceled)

14. (Canceled)

15. (Canceled)

16. (Canceled)

17. (Canceled)

18. (Canceled)

19. (Canceled)

20. (Canceled)

21. (Canceled)

22. (Canceled)

23. (Canceled)

24. (Canceled)

25. (Original) A system for the exchange of digital content, comprising:

a disassociated computer code segment embodied in a tangible medium;

said computer code segment expressing said digital content;

said computer code segment further embodied in an electronic format that supports content scarcity and content authenticity; and

said computer code segment further adapted for use in a system comprising a display system, a housing, software, a power source or input, a CPU, and an LCD display.

26. (Previously amended) A system for the exchange of digital content, comprising:

a detached data segment embodied in a tangible medium;

said data segment expressing said digital content;

said data segment further embodied in an electronic format that is shared with at least one other data segment and that supports content scarcity and content authenticity;

said data segment further comprising a header identification code that uniquely identifies said data segment;

a data segment graphic identification code associated with said data segment that may include any of an audio visual logo, a copyright notice, and company information; and

multimedia data associated with said data segment that may include any of animation, video, pictures, sounds, and text.

27. (Previously amended) The system of Claim 26, further comprising:

a lock and key mechanism associated with said data segment to limit access to and impose password protection on said data segment.

28. (Original) The system of Claim 26, further comprising:

pointers within said data segment to external data and programs embedded in scripts that trigger the display of external media and/or run external applications.

29. (Previously amended) The system of Claim 26, further comprising:

any of utility programs; and
applications, including any of incomplete linkable code segments and utilities.

30. (Previously amended) The system of Claim 26, further comprising:

a user writable area for any of personalization, messages, voice recording, and image storage.

31. (Previously amended) The system of Claim 26, wherein said data segment is substantially media independent.

32. (Previously amended) The system of Claim 26, wherein said data segment is substantially platform independent.

33. (Canceled)

34. (Canceled)

35. (Canceled)

36. (Canceled)

37. (Canceled)



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: Peppel et al.

Serial Number: 09/735,586

Filed: 12/12/00

Title: Electronic Trading Card

Docket No.: OOMP0001C

Group Art Unit: 2132

Examiner: B. Lanier

November 14, 2002

Commissioner of Patents and Trademarks

Washington, DC 20231

RESPONSE

Sir:

This response is provided to the office action dated 28 August 2002 for the above-identified patent application.

REMARKS

1. The Office Action indicates that it is responsive to communications filed on 12 December 2000 and that Claims 1-25 were pending in the application. However, a Preliminary Amendment was submitted in this application which was received at the Patent Office on 10 October 2001 (see the enclosed Exhibit "A", consisting of the Preliminary Amendment and the Patent Office acknowledgement.) The Preliminary Amendment added Claims 26-37. Unfortunately, the Examiner has not considered these claims in preparation of the above identified Office Action. Applicant is of the opinion that Applicant's remarks will place the application in allowable condition, including those claims not yet considered. Applicant is also of the opinion that should the Examiner not accept Applicant's basis for overcoming the Examiner's rejections based on art and further reject the claims, it would not be consistent with Patent Office rules or practice to make additional Office Action a Final Office Action because Applicant's additional claims have not yet been considered. Again, Applicant believes that this issue is moot based on the Applicant's submission of a Declaration Under 37 C.F.R. 1.131 removing the Examiner's primary references prior art (see below).
2. Claims 1-7, 9,10, 13-17, 19, 20, 22, and 25 have been rejected by the Examiner under 35 U.S.C. § 102 (e) as being anticipated by Smith, US Patent Number 5,533,124. Applicant notes that Smith issued on 2 July 1996 and was filed on 7 December 1994. The subject application is a continuation of application serial number 08/398,862, which was filed on 6 March 1995.

Under 37 C.F.R. § 1.131 (see MPEP 715), a prior art reference under 35 U.S.C. § 102(e) can be avoided by showing reduction of practice prior to the effective date of the reference or conception of the invention prior to the effective date of the reference coupled with due diligence from prior art to the date of the reference to a subsequent reduction to practice or to the filing of the application. In the above mentioned parent application, which led to the present application, Applicant had submitted a declaration under 37 C.F.R. § 1.131 to overcome a rejection under 35 U.S.C. 102(e) in view of Smith et. al.

Applicant submits herewith the following documents, which were submitted in the parent application in connection with the Smith reference:

- a) A Response received at the Patent Office on 7 October 1996 indicating that the Smith reference is avoided pursuant to a declaration under 37 C.F.R. § 1.131 by the Inventor Tyler Peppel (Exhibit B);
- b) An Amendment After Final received at the Patent Office on 31 March 1997, which includes the Second Declaration, Under 37 C.F.R. § 1.131 by the Inventor Tyler Peppel and supporting documentation (Exhibit C);
- c) A Decision on Appeal mailed 13 March 2000 by the Board of Patent Appeals and Interferences in connection with the prosecution of the parent application, including the Board's decision with regard to the Declaration under 37 C.F.R. § 1.131 of the Inventor Tyler Peppel (Exhibit D);
- d) A Response Based on Decision on Appeal dated 11 April 2000, in which the Applicant addresses the issues raised by the Board of Patent Appeals and Interferences (Exhibit E); and
- e) A Notice of Allowance and Issue Fee Due in which the Examiner provides as reason for allowance the following statement:

Based on the Board's decision and the Appellant's amendment and declaration in response thereto this application appears to be allowable over the prior art of record (Exhibit F).

Applicant submits these documents in connection with the subject application as a basis for avoiding the Smith reference under 37 C.F.R. § 1.131. The basis for allowance in the parent application was the Examiner's acceptance of Applicant's Declaration under 37 C.F.R. § 1.131 as a basis for avoiding the Smith reference in that application. Here, the same reference forms the basis for rejection under 35 U.S.C. § 102(e). The facts are the same, the dates are the same, and Applicant's previously submitted declaration is equally as

applicable to the subject application as it was to the parent application. The only difference is that the claims in the subject application were not presented in the parent application. However, Applicant's attorney submits herewith a declaration of Applicant's Attorney under 37 C.F.R. § 1.131 in which Applicant's attorney affirms that the subject matter claimed in the present application is not the same as set forth in the claims of the cited reference.

Accordingly, the Smith reference is avoided and the claims subject to rejection thereunder are deemed to be in allowable condition.

3. 35 U.S.C. § 103. In view of the allowability of the independent claims submitted herewith, the rejections under 35 U.S.C. § 103 for obviousness of dependent claims are deemed moot. Further, such rejections are mooted in the view of Applicant's avoidance of the Smith reference pursuant to Applicant's declaration to 37 C.F.R. § 1.131.
4. Applicant noted at the outset that the claims which accompanied applicants Preliminary Amendment were not examined. Applicant is of the opinion that the avoidance of Smith as a reference hereunder renders any further consideration of such claims moot in that such claims should be allowable as well as Claims 1-25 which were considered under the Office Action. Should the Examiner determine that Smith is to be asserted against the claims contained in the Preliminary Amendment, Applicant submits that the Declaration Under 37 C.F.R. § 1.131 which is now being applied to Claims 1-25 equally applies to the claims contained within the Preliminary Amendment.

CONCLUSION

The application is now considered in condition for allowance and Applicant requests the Examiner forward to Applicant a Notice of Allowance in due course. Should the Examiner deem it helpful, the Examiner is encouraged to contact the Applicant's Attorney, Michael A. Glenn, at (650) 474-8400 to discuss the application.

Respectfully submitted,



Michael A. Glenn

Reg. No. 30,176

Customer No. 22862

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: Peppel et al.

Serial Number: 09/735,586

Filed: 12/12/00

Title: Electronic Trading Card

Docket No.: OOMP0001C

Group Art Unit: 2132

Examiner: B. Lanier

November 14, 2002

Commissioner of Patents and Trademarks

Washington, DC 20231

**Declaration of Counsel - Michael A. Glenn pursuant to Applicant's
declaration under 37 C.F.R. § 1.131**

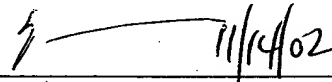
This Declaration is provided in connection with Applicant's response to the Office Action dated 28 August 2002 in the above-identified patent application.

1. My name is Michael A. Glenn and I am Applicant's attorney in preparing and prosecuting the subject patent application.
2. I have reviewed the Smith reference, US Patent Number 5,533,124. In particular, I have reviewed the claims in the Smith patent in view of the claims pending in the above identified patent application, including those claims which accompanied Applicant's Preliminary Amendment in that application.
3. The subject application does not claim the same subject matter as that claimed in the Smith reference.

4. I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.



Michael A. Glenn



DATE



Patent and Trademark Office (PTO) Acknowledgement

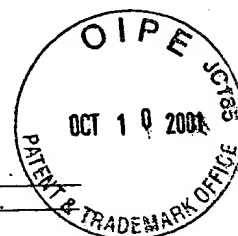
Please acknowledge the receipt of the enclosed documents, listed below, by imprinting the PTO date stamp in the space indicated and returning this postcard to the addressee indicated on the reverse.

Re: Application Peppel Ser. No. 09/735,586

Electronic Trading Card File No. OOMP0001C

First Class Mail
Certificate of First Class Mailing
Date Mailed: October 10, 2004 ✓
Patent Application - Type Utility
Oath/Declaration/Power of Attorney-
Assignment & Assignment Recordation-
Patent Application Transmittal Form
Formal Drawings - no. of sheets 4
Informal Drawings - no. of sheets
Information Disclosure Statement-
1449 Form -
Cited References
Response (Amendment)
Preliminary amendment ✓
Extension of Time - 1 Month(s)

✓ Express Mail No. EL556193518US
✓ Certificate of Express Mailing
Small Entity Statement - Business
Small Entity Statement - Independent
Copy of Missing Parts Notice
Response to Missing Parts Notice
RCE transmittal
1 Sheet (Fig. 2) of Red-lined Fig.
Terminal Disclaimer
Issue fee transmittal
Transmittal Form
Other:
✓ Fee \$ 240.00
✓ Check No. Charge to Deposit acct.



Express Mail mailing label no. EL556193518US

Date of Deposit: October 9, 2001

I hereby certify that this paper or fee is being deposited with the United States Postal Service "Express Mail Post Office to Addressee" service under 37 CFR 1.10 on the date indicated above and is addressed to the Commissioner of Patents and Trademarks, Washington, D. C. 20231.


Jessica Pallach

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: Peppel et al.

Serial Number: 09/735,586

Filed: 12/12/00

Title: Electronic Trading Card

Docket No.: OOMP0001C

Group Art Unit: Unassigned

Examiner: Unassigned

October 9, 2001

Commissioner of Patents and Trademarks

Washington, DC 20231

Preliminary Amendment

Sir:

Please add the following amendment and remarks.

Please charge the new claim fees to deposit account no. 07-1445.

In the Specification

On page 23, lines 31-34, please delete the phrase "[Michael: #3 below is kind of an unrelated idea. Will it weaken the application?) No!]."

In the Claims:

26. (new) A system for the exchange of digital content, comprising:

a detached data segment embodied in a tangible medium;

said data segment expressing said digital content;

said data segment further embodied in an electronic format that is shared with at least one other data segment and that supports content scarcity and content authenticity;

said data segment further comprising a header identification code that uniquely identifies said data segment;

a data segment graphic identification code associated with said data segment that may include any of an audio visual logo, a copyright notice, and company information; and

multimedia data associated with said data segment that may include any of animation, video, pictures, sounds, and text.

27. (new) The system of Claim 26, further comprising:

a lock and key mechanism associated with said data segment to limit access to and impose password protection on said data segment.

28. (New) The system of Claim 26, further comprising:

pointers within said data segment to external data and programs embedded in scripts that trigger the display of external media and/or run external applications.

29. (New) The system of Claim 26, further comprising:

any of utility programs; and

applications, including any of incomplete linkable code segments and utilities.

30. (New) The system of Claim 26, further comprising:

a user writable area for any of personalization, messages, voice recording, and image storage.

31. (new) The system of Claim 26, wherein said data segment is substantially media independent.

32. (new) The system of Claim 26, wherein said data segment is substantially platform independent.

33. (new) A system for the exchange of digital content, comprising:

a detached data segment embodied in a tangible medium;

said data segment expressing said digital content; and

said data segment further embodied in an electronic format that is shared with at least one other data segment and that supports content scarcity and content authenticity.

34. (New) A method for exchanging a detached data segment embodied in a tangible medium, comprising the steps of:

generating said data segment, said data segment expressing said digital content; and

embodying said data segment in an electronic format that is shared with at least one other data segment and that supports content scarcity and content authenticity.

35. (new) The method of Claim 34, further comprising the step of:

exchanging one or more data segments on writable media.

36. (new) The method of Claim 34, further comprising the step of:

exchanging one or more data segments on-line.

37. (new) An apparatus for the exchange of digital content, comprising:

a detached data segment embodied in a tangible medium;


said data segment expressing said digital content;

said data segment further embodied in an electronic format that is shared with, and interoperates with at least one other data segment and that supports content scarcity and content authenticity.

Remarks

Applicant amends this application to delete an extraneous comment and to add claims directed to further embodiments of the invention. No new matter is being introduced in this amendment.

Respectfully Submitted,



Michael A. Glenn

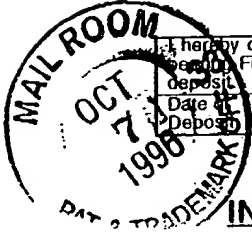
Reg. No. 30,176

Customer No. 22862

Oompala - s/n 08/398,862



V. Doyle
#5-1a
Declarant



I hereby certify that this transmittal of the below described document is being deposited with the United States Postal Service in an envelope paid for by First Class Postage and addressed to the Commissioner of Patents and Trademarks, Washington, D.C., 20231, on the below date of deposit.

Date of Deposit	10/2/96	Name of Person Making the Deposit	MARCIA D. SNEA	Signature of the Person Making the Deposit	Marcia D. Snea
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10-24

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

5 In re Application of: Peppel
Serial No. : 08/398,862
Filed: 3/6/95
Title: ELECTRONIC TRADING CARD

Docket No.:
Art Unit: 3304
Examiner: O'Neill, M.

10 October 2, 1996

Honorable Commissioner of Patents and Trademarks
Washington, DC 20231

15

RESPONSE

Clear
10/2/96

Sir:

20 This Response is provided to the Office Action, dated 8/16/96 for the above-identified patent application.

Please amend the application of follows:

25

In The Claims

Please amend Claims 2, 6, 13, 22, 26, 32, and 33 as follows:

30

2. (amended) The system of Claim 1, said electronic format further comprising:
an ETC header identification code that uniquely identifies the ETC;
an optional lock and key mechanism to limit access and impose password protection on the ETC;
an ETC graphic identification code that may include any of an audio visual logo, a copyright notice, and company information;

al

multimedia data that may include any of animation, video, pictures, sounds, and text;

pointers to external data and programs embedded in scripts that trigger the display of external media [and/]or run external applications;

5 utility programs;

applications, including any of incomplete linkable code segments, games, puzzles, and utilities; and

a user writable area for any of personalization, messages, voice recording, image storage, and score keeping.

10

6. (amended) The system of Claim 5, wherein said puzzle uses timing to generate scarcity in ETCs in any of the following ways:

said ETCs self-destruct [and/]or self erase after a given time has elapsed;

said ETCs are made available for limited times on on-line systems; and

15 said ETCs are time stamped.

13. (amended) The system of Claim 12, wherein said ETCs augment an existing game with additional levels of play, characters, [and/]or other game elements.

20

22. (amended) The method of Claim 21, further comprising the steps of:

providing an ETC header identification code that uniquely identifies the ETC;

25 providing an optional lock and key mechanism to limit access and impose password protection on the ETC;

providing an ETC graphic identification code that may include any of an audio visual logo, a copyright notice, and company information;

providing multimedia data on said ETC that may include any of animation, video, pictures, sounds, and text;

30 providing pointers on said ETC to external data and programs embedded in scripts that trigger the display of external media [and/]or run external applications;

providing utility programs on said ETC;

35 providing applications on said ETC, including any of incomplete linkable code segments, games, puzzles, and utilities; and

A4
Cont.

providing a user writable area on said ETC for any of personalization, messages, voice recording, image storage, and score keeping.

A5

- 5 26. (amended) The system of Claim 25, wherein said puzzle uses timing to generate scarcity in ETCs in accordance with any of the following steps:
self-destructing [and]/or self erasing said ETC after a given time has elapsed;
limiting ETC availability times on on-line systems; and
time stamping said ETC.

10

A6

- 15 32. (amended) The method of Claim 21, wherein said trading card metaphor further comprises an adventure game, including a plurality of linked ETCs, each ETC adapted to offer clues, hints [and]/or other special properties that give a ETC owner an advantage when playing said adventure game.

33. (amended) The method of Claim 22, wherein said ETCs augment an existing game with additional levels of play, characters, [and]/or other game elements.

20

Remarks

- 25 1. Claims 2, 6, 13, 22, 26, 32, and 33 stand rejected under 35 USC §112 because the Examiner deems the recitation of the term "and/or" to be indefinite. Applicant has remedied this by revising each of said claims to recite the term "or," which relates to alternative embodiments of the invention. Accordingly, the claims are now considered to be in compliance with 35 USC § 112.

- 30 2. Claims 1-39 have been rejected by the Examiner under 35 USC § 102(e) as being anticipated by Smith *et al.*

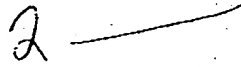
Applicant submits herewith a Declaration Under 37 CFR § 1.131 by the inventor, Tyler Peppel, by which the inventor swears behind Smith *et al.* Accordingly, the rejection under 35 USC § 102(e) is deemed avoided.

Conclusion

5 In view of the Declaration Under 37 CFR § 1.131, Applicant respectfully requests that the Examiner withdraw the rejection under 35 USC § 102 and allow the application to issue as a U.S. patent. Applicant would be pleased to discuss the matter with the Examiner should an additional interview be deemed helpful toward concluding examination of the subject application.

10

Respectfully Submitted,



15

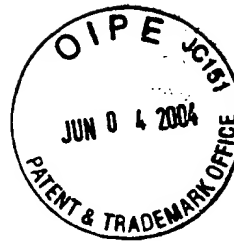
Michael A. Glenn

Attorney for Applicant

Reg. No. 30,176

65373 U.S. PTO
03/31/97

Initial Review
BOX AF



C Chen
4-8-97

I hereby certify that this transmittal of the below described document is being deposited with the United States Postal Service in an envelope bearing Class Postage and addressed to the Commissioner of Patents and Trademarks, Washington, D.C., 20231, on the below date of deposit.			
Date of Deposit:	03/28/97	Name of Person Making the Deposit:	Margret Schreck
		Signature of the Person Making the Deposit:	<i>Margret Schreck</i>

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: Peppel

Docket No.: OOMP0001

Serial No. : 08/398,862

Art Unit: 3304

Filed: March 6, 1995

Examiner: M. O'Neill

Title: ELECTRONIC TRADING CARD

March 28, 1997

Assistant Commissioner for Patents
BOX AF

Washington, DC 20231

AMENDMENT AFTER FINAL (37 CFR § 1.116(a))

Sir:

This is a response to the Office Action, dated January 21, 1997, for the above-identified patent application.

REMARKS

The Examiner has repeated his rejection of Claims 1-39 under 35 USC § 102(e) in view of Smith et al. Applicant is of the opinion that the Declaration Under 37 CFR § 1.131 - Tyler Peppel on September 27, 1996 is adequate in that the affidavit provides evidence of conception prior to the critical date of the cited reference along with evidence of due diligence. The Declaration indicates that as of the date of the search, Applicant had conceived of the invention. That is, the search request is evidence of conception at least before the filing date of Smith et al. The same is true for the

memorandum, which is a written record of conception, as well as the set of overlays which is also a written record of the early conception by Applicant.

Therefore, Applicant is of the opinion that conception has been established in keeping with the requirements of 37 CFR § 1.131. Further, Applicant notes that the subject patent application was filed on March 6, 1995. Applicant's search results were received on December 2, 1994. It is not unreasonable to expect the preparation of a patent application to take the interval from December 2, 1994 until March 6, 1995. Accordingly, Applicant has diligently worked toward reduction to practice, Applicant's filing of the patent application being constructive reduction to practice.

In summary, Applicant has demonstrated, by his prior filing, his conception and due diligence in reducing the invention to practice.

Applicant encloses a second declaration, Declaration Under 37 CFR § 1.131 - Tyler Peppel. It is Applicant's opinion that the information provided by the second declaration should be sufficient to overcome any reservations that the Examiner may have with regard to accepting the declaration and allowing the application to issue. Thus, it is believed that the rejection of 35 USC § 102(e) is avoided.

Respectfully Submitted,



Michael A. Glenn
Reg. No. 30,176

P.O. Box 7831
Menlo Park, CA 94026
(415) 851-7138

Oompala - s/n 08/398,862

3373 U.S. PTO



03/31/97

Attorney Docket No. OOMP0001

C. Hosh
34-897
8 Declaration

I hereby certify that this transmittal of the below described document is being deposited with the United States Postal Service in an envelope bearing First Class Postage and addressed to the Commissioner of Patents and Trademarks, Washington, D.C., 20231, on the below date of deposit.

Date of Deposit: 03-28-97	Name of Person Making the Deposit: Margret Schreck	Signature of the Person Making the Deposit: <i>Margret Schreck</i>
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: Peppel

Docket No.:

Serial No. : 08/398,862

Art Unit: 3304

Filed: 3/6/95

Examiner: O'Neill, M.

Title: ELECTRONIC TRADING CARD

March 24, 1997

Assistant Commissioner for Patents
Washington, DC 20231

SECOND DECLARATION UNDER 37 CFR § 1.131 - TYLER PEPPEL

Sir:

This Declaration is provided in connection with Applicant's response to the Office Action, dated 1/21/97 for the above-identified patent application.

1. My name is Tyler Peppel. I am the inventor of the invention claimed in the subject patent application.

2. Claims 1-39 of the above-identified patent application were objected to in the above Office Action under 35 USC § 102(e) for lack of novelty. The reference cited by the Examiner as the basis for this objection was U.S. Patent No. 5,533,124, issued to Smith *et al* (the "Smith" patent). Smith issued on 2 July 1996 and was filed on 7 December 1994. Smith does not claim the same invention as that claimed in the application.

3. The subject patent application was filed on 6 March 1995, less than one year after Smith was filed.

4. The invention which is the subject matter of the application was conceived at least as early as 7 September 1994.

5. It is my practice to keep a notebook that contains my ideas and inventions. Attached hereto as an exhibit is a document that contains pages 125, 136, 137, 151, and 154 of one of my laboratory notebooks. On page 125 of my laboratory notebook is the statement "E CARD" bearing the date 9.14.94. This statement is offered as evidence of my conception of my invention prior to December 7, 1994. On page 136, there is a reference entitled, "floppy trading cards" "E CARD". This reference to my invention shows my continued work on the invention from conception. This entry is dated 9.29.94. On page 137 of my lab notebook is a diagram that shows the types of electronic cards I intend to provide as part of my invention. On page 151 of my lab notebook, the page is entitled E CARD and is dated 11.16.94. The page shows the outline I prepared for a presentation to explain my invention and work that I had done on my invention, all prior to December 7, 1994. On page 154 of my notebook, which page is dated 11.28.94, there is a reference to the expense for the patent search which was the subject of my previous declaration.

6. I searched the hard drive of my computer and printed screen shots of each search. These pages are labeled "CHRON 1" of 5 and "BANDAI -- CHRON". I printed selected documents from these searches to show early instances of my writings about electronic cards ("E CARD"). These printed pages are attached to the CHRON pages. I have added notes to these pages which key the time stamps on the CHRON pages to the individual documents (C1, C2, etc.)

I printed five screen of the CHRON pages to show the progression of the development of the invention over time, which is fairly continuous over a period of two years from September 7, 1994 to December 19, 1996. Every item on the five pages of CHRON screens pertains to my E CARD invention. I have only printed a selected few of these pages that show the earliest electronic records of my invention. It should be noted that the documents are quite old such that the font which was used to create the presentation slides is no longer available in my more recent equipment. This disrupted the formatting, but the content is still the same.

Note that the BANDAI -- CHRON file includes some early dated correspondence that mentions my E CARD invention. In particular, note a piece of e-mail from Bandai to me mentioning my invention.

5 7. I diligently worked toward the reduction to practice of the invention to which the application relates from the time of conception to at least until the submission of the subject application to the Patent Office. I continue to work on this invention to this date.

10 8. I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.

15



TYLER PEPPEL

3.26.97

DATE

EXHIBIT TO SECOND DECLARATION OF PEPPEL

In re Application of: Peppel

Docket No.: OOMP0001

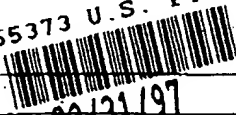
Serial No. : 08/398,862

Art Unit: 3304

Filed: March 6, 1995

Examiner: M. O'Neill

Title: ELECTRONIC TRADING CARD



03/31/97

EGG.

Simple proposal. WAIT FOR ME.

MR. YAMASHITA. (CEO)

"INTERACTIVE TOY"

"E-CARD"

9.14.94.

W/SASAPANA.

TRANSFORMER. → ON NETWORK.

EACH KID. CREATES. NEW
ELECTRONIC TRADING CARD.BROU FUN. CD-ROM → SEND. OCT/NOV.
20 DEVELOPERS.

1-2 MONTHS.

PIPPIN WORKSHOP. → OCT-NOV IN CUPERTINO.
20 → DEVELOPERS COMING.
C-WAVE INVITED.



03/31/97

EGG.

Simple proposal. wait for me.

MK YAMASHIMA. CEO

"INTERACTIVE - FOLY"

"E. CARD"

↑
FIRST
MENTION
IN NOTEBOOK

DATE

Transformer.

9.14.94.
W/SASAPAMA.

MK.

ETC. CIV. CREATES. NEW
ELECTRONIC TRADING CARD.

Brodyfun. CD-ROM → SENT. OCT/NOV.
20 developers.

1-2 MONTHS.

PIPPIN WORKSHOP → OCT-NOV IN CUPERTINO.
20 → developers complete.
C - WAVE INVITED.

10/15 4-8 titles j. puyg8t.

IMA/BANDAI

9, 29.94

AUGUST TITLE DEADLINE. → THEN 2 MONTHS. LOCALIZATION.

Floppy communication → medium for kids. / PRE-NETWORK

"Floppy trading cards." "E-CARD". TRADE ONLINE

3 DIFFERENT FF w/ 3 CHARACTERS. → TARGET YOUR WOMEN

3 FF 3 products → * DIFFERENT CHAR ALL BANDAI

- ① 1. SAILOR MOON (EMOTE.) FRANCE. ITALY. SPAIN. ALL YE
- ③ 2. SAN RIO - STONE FANTASY INTERPAC
- ② 3. ORIGINAL CONTENT FROM SKETCH.

DEADLINE. AUGUST. SAILOR MOON → ON MAC.

DIFFERENT FACTORY FOR EACH CHARACTER.

SAME FUNCTION / DIFFERENT "AMBIENCE" FOR EACH FAC

USER DATA VS. CD ROM DATA. / USER NAME.

READER. NEEDS? IDEALLY M. REASON SOUND FIT ON FLOPPY.

CONTRACT FOR HOW MANY. ①

COMMUNICATION AMONG KIDS. / BREAK DOWN GAME CONCEPT REPAIR WITH COMMUNICATION CONCEPT

THIS CONTINUES
ON PG 137.

CHARACTER CHOICE

MESSAGE CHOICE

Royalty. \$5 unit.
Advance payment
① 400
② 250
③ 200
Exclusivity. \$30K

TRADING SEASONAL BIRTH DAY INVITATION ETC. PUZZLE GAME CARD LETTER

TYPES OF ELECTRONIC CARDS

A B C D

NAME ENTRY

BACKGROUND FRAME

STAMP

"TUMBLING"

BILING MILESTONES

2 FA. Samples

Royalty \$5. + copy
Advance payment 400.
\$250. \$250.

from NARMI

- 1 - Friend to friend.
- 2 - Within family.
- 3 - print out message

SCHEDULE

MATERIALS TO CHAME. - NOV.

CONTRACT FINAL 12.1

MID-DEC MEETING TO DO PROCHAM

MEETING IN SE. FOR MACHAMPO:
- TO FINALIZE

MID-FEB PROTOTYPE

APRIL MAY - ALPHA 25% payment

8% GM TO BANDAI/ERKAH.

XMAS DEADLINE OCTOBER 5th.

EMULTH Product:
Product with
Floppy - key

E-CAMP

151

11.26.94

DATE

PRESENTATION
OUTLINE

PRESENTATION OUTLINE

- (1) E-CAMP LOGS
- (2) E-CAMP 25 WORDS OR LESS DESCRIPTION. (CONCEPT)
- (3) ~~THE~~ THE WORDS OF E-CAMP
- (4) E-CAMP GENERATION.
- USE SLIDE
- (5) CAMP EXCHANGE
- USE SLIDE
- (6) CAMP COLLECTING / ORGANIZATION
- USE SLIDE
- (7) CAMP ACTIVITIES.
- USE SLIDE
- (8) "LOCK AND KEY"
- (9) LEGAL ISSUES.
- (10) ~~SECURITY (ISSUES)~~ (ISSUES?)
- (11) THE E-CAMP ENGINE.
- (12) PARTNERSHIP PROPOSAL.
- (13) ~~PROPOSED~~ PROPOSED SCHEDULE.

11.28.94.

NEWCO EXPENSE.

\$500 to Howard Rice for E-CARD
PATRICK SEANUT

→ (TMA) Agreement confirm note.

→ Golf stuff for Benkersey

→ CALL LIP

← MENTION of

Items Found

Name

Size Kind

Last Modified

Tyler

<input type="checkbox"/> E-Card Markets	33K	document	12/1/94	8:08
<input type="checkbox"/> E-Card Newco	33K	document	12/1/94	8:08
<input type="checkbox"/> E-Card Newco	33K	document	12/1/94	8:08
<input type="checkbox"/> E-Card Newco	33K	document	12/1/94	8:08
<input type="checkbox"/> e-card big picture / bandai	33K	document	12/1/94	7:40
<input type="checkbox"/> e-card big picture / bandai	33K	document	12/1/94	7:40
<input type="checkbox"/> e-card big picture / bandai	33K	document	12/1/94	7:40
<input type="checkbox"/> e-card is	33K	document	12/1/94	7:07
<input type="checkbox"/> e-card is	33K	document	12/1/94	7:07
<input type="checkbox"/> E-Card proposal/carmel	16K	Microsoft Word document	11/10/94	8:23
<input type="checkbox"/> E-Card Licensing = C8	33K	document	9/7/94	7:35
<input type="checkbox"/> Selling E-Cards	33K	document	9/7/94	7:09
<input type="checkbox"/> E-Card security	33K	document	9/7/94	6:56
<input type="checkbox"/> making an E-Card	33K	document	9/7/94	6:36
<input type="checkbox"/> inside an e-card = C4	33K	document	9/7/94	6:02
<input type="checkbox"/> e-cards can link = C3	33K	document	9/7/94	5:30
<input type="checkbox"/> e-cards contain = C2	33K	document	9/7/94	5:08
<input type="checkbox"/> e-cards are = C1	33K	document	9/7/94	4:59

EARLIEST ELECTRONIC
DOCUMENTS

Found 90 Items

CHRON 1 = 9/7/94 - 12/1/94
 CHRON 2 = 12/1/94 - 2/16/95
 CHRON 3 = 2/16/95 - 2/23/95
 CHRON 4 = 2/23/95 - 5/13/96
 CHRON 5 = 5/13/96 - 12/19/96

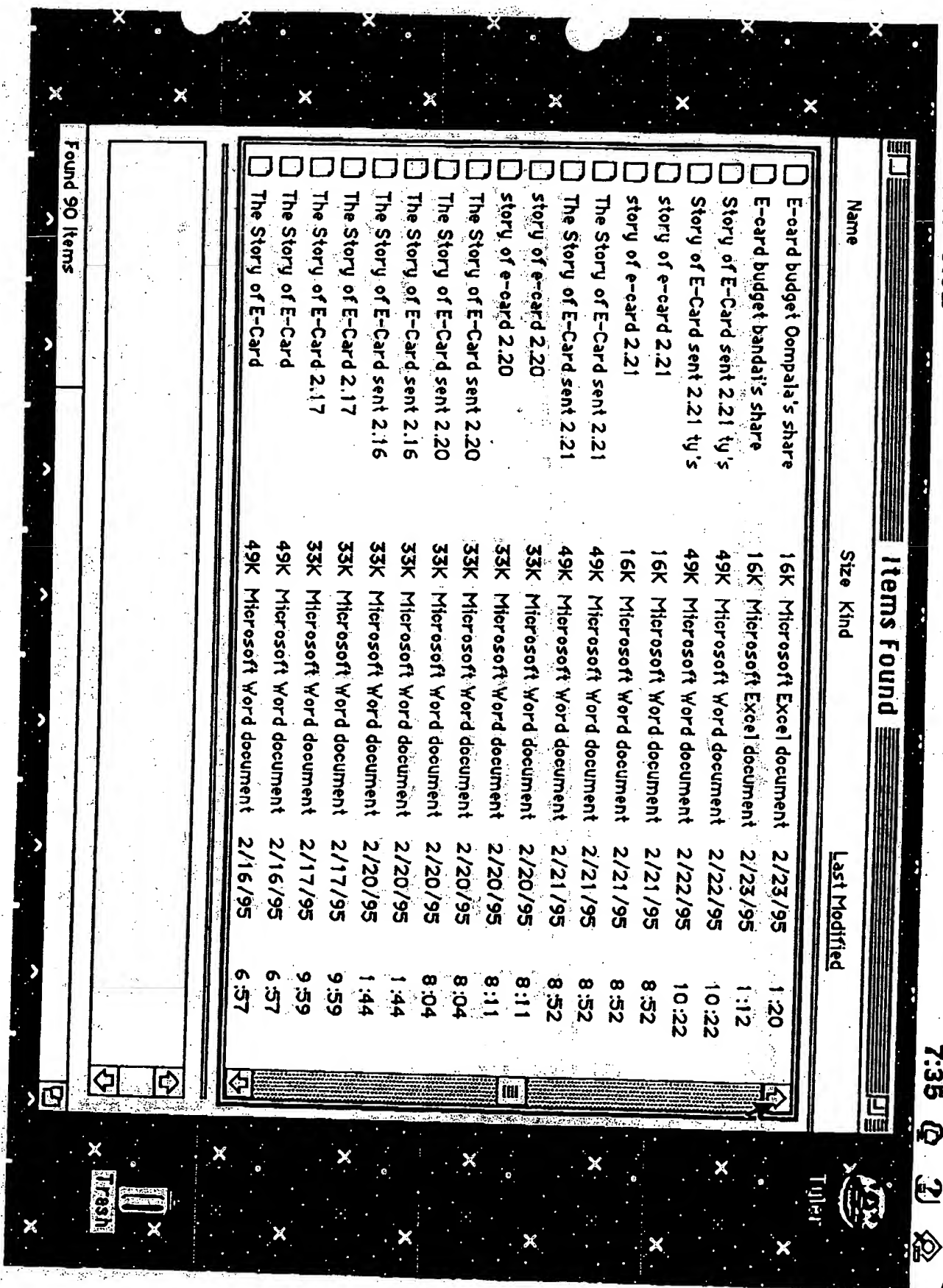
"CHRON 1" of 5

Items Found

Name	Size	Kind	Last Modified
<input type="checkbox"/> The Story of E-Card	49K	Microsoft Word document	2/16/95 6:57
<input type="checkbox"/> e-card job posting	33K	document	1/31/95 8:48
<input type="checkbox"/> E-card budget	16K	Microsoft Excel document	1/26/95 8:58
<input type="checkbox"/> frank/e-card	33K	document	1/19/95 11:01
<input type="checkbox"/> frank/e-card	33K	document	1/19/95 11:01
<input type="checkbox"/> E-Card lead eng job des. 12.19.	16K	Microsoft Word document	12/19/94 1:57
<input type="checkbox"/> e-card big picture	33K	document	12/4/94 7:21
<input type="checkbox"/> e-card big picture	33K	document	12/4/94 7:21
<input type="checkbox"/> e-card cover/logo	33K	Adobe Illustrator™ 5.0 d...	12/4/94 6:50
<input type="checkbox"/> e-card cover/logo	33K	Adobe Illustrator™ 5.0 d...	12/4/94 6:50
<input type="checkbox"/> e-card scenario labels	33K	Adobe Illustrator™ 5.0 d...	12/4/94 5:21
<input type="checkbox"/> captions for E-Card storyboards	16K	Microsoft Word document	12/4/94 4:54
<input type="checkbox"/> E-Card Exclusivity	33K	document	12/1/94 8:08
<input type="checkbox"/> E-Card Exclusivity	33K	document	12/1/94 8:08
<input type="checkbox"/> E-Card Exclusivity	33K	document	12/1/94 8:08
<input type="checkbox"/> E-Card legal	33K	document	12/1/94 8:08
<input type="checkbox"/> E-Card legal	33K	document	12/1/94 8:08
<input type="checkbox"/> E-Card legal	33K	document	12/1/94 8:08

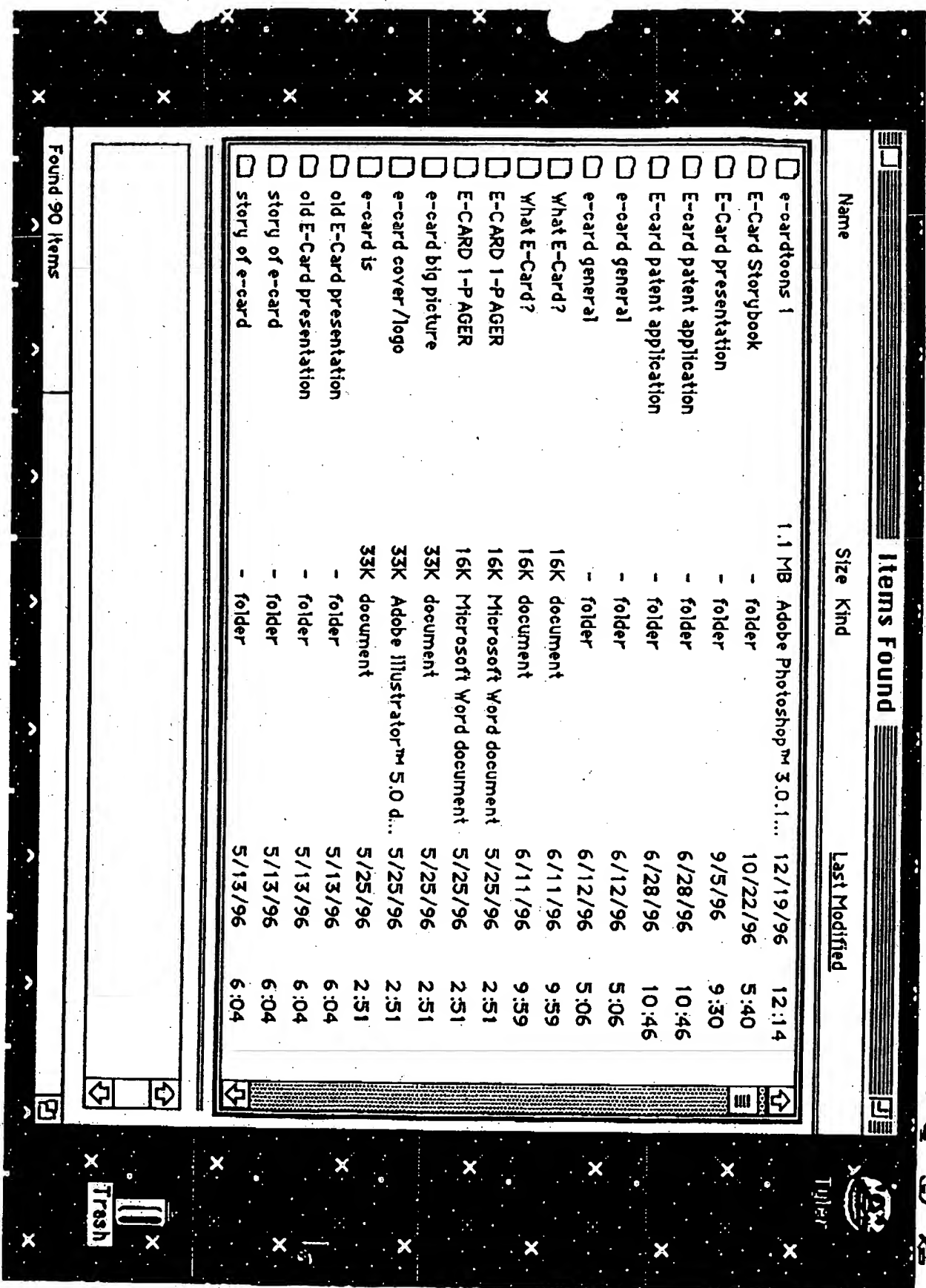
C2-13

Found 90 items



CHRON 3 OF 5

CHRON 465



CHRON 54



THIS OPINION WAS NOT WRITTEN FOR PUBLICATION

The opinion in support of the decision being entered today (1) was not written for publication in a law journal and (2) is not binding precedent of the Board.

Paper No. 21

UNITED STATES PATENT AND TRADEMARK OFFICE

MAILED

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

MAR 13 2000

PAT. & T.M. OFFICE
BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte TYLER PEPPEL

Appeal No. 1998-2848
Application 08/398,862¹

ON BRIEF

Before BARRETT, FLEMING, and NASE, Administrative Patent Judges.
BARRETT, Administrative Patent Judge.

DECISION ON APPEAL

This is a decision on appeal under 35 U.S.C. § 134 from the rejection of claims 1-39.

We affirm, but enter new grounds of rejection.

¹ Application for patent filed March 6, 1995, entitled "Electronic Trading Card."

BACKGROUND

The disclosed invention is directed to a system and method for implementing a trading card metaphor in an electronic trading card (ETC). ETCs are segments of computer code that have a data format as shown in Figure 1. ETC products may be of various types, such as clue cards, code cards, sports cards, and character cards (Figure 4). ETCs may be made, traded, used in activities (such as game playing), or may be collected like paper trading cards (specification, pages 8-9; Figure 6).

Claims 1, 16, and 21 are reproduced below.

1. A system for the implementation of a trading card metaphor, comprising:

a disassociated computer program, consisting of a plurality of electronic trading cards (ETCs), each ETC corresponding to a disassociated computer code segment and having an electronic format that supports card scarcity and card authenticity.

16. A method for implementing a trading card metaphor in an electronic trading card (ETC), comprising the steps of:

entering a multiroom virtual environment where each room in said environment requires a specific set of ETCs to complete an ETC collection, each ETC corresponding to a disassociated computer code segment and having an electronic format that supports card scarcity and card authenticity;

finding a missing ETC;

completing said set; and

reward when said set is completed.

Appeal No. 1998-2848
Application 08/398,862

21. A method for implementing a trading card metaphor, comprising the steps of:

a dissociating a computer program, consisting of a plurality of electronic trading cards (ETCs), each ETC corresponding to a disassociated computer code segment and having an electronic format that supports card scarcity and card authenticity.

The Examiner relies on the following prior art reference:

Smith et al. (Smith) 5,533,124 July 2, 1996
(filed December 7, 1994)

Claims 1-39 stand rejected under 35 U.S.C. § 101 as being directed to nonstatutory subject matter.

Claims 1-39 stand rejected under 35 U.S.C. § 102(e) as being anticipated by Smith.

We refer to the Office Action (Paper No. 10) entered May 21, 1997, and the Examiner's Answer (Paper No. 17) (pages referred to as "EA__") for a statement of the Examiner's position and to the replacement Brief (Paper No. 16) (pages referred to as "Br__") filed March 2, 1998, for Appellant's arguments thereagainst.

OPINION

Interpretation of "disassociated"

The claims first require interpretation. "[T]he name of the game is the claim." In re Hiniker Co., 150 F.3d 1362, 1369, 47 USPQ2d 1523, 1529 (Fed. Cir. 1998). In particular, we define the term "disassociated" which appears in all independent claims.

The Examiner states (Paper No. 10, page 2):

The claimed invention is directed to data structures representing descriptive material per se. This determination is based on the fact that Applicant has intentionally avoided claiming the mechanism or medium that is interrelated with the data structure; e.g.: "disassociated computer program"; "disassociated computer code segments." See M.P.E.P. 2106.

The Examiner further states (EA5):

The word "disassociated" means: "to disconnection [sic] from association, dissociate," Webster's New International Dictionary, Second Edition, (1939). A computer program is associated with a medium; e.g. a disk or computer memory. Therefore, a disassociated computer program is a program not associated when [sic] a medium.

Thus, the Examiner interprets "disassociated" to mean not associated with a tangible medium.

A "computer program" per se is an abstract entity and does not imply association with a storage medium or memory. A medium must be explicitly recited. Therefore, we do not interpret "disassociated" to necessarily refer to lack of association with a tangible medium, although it could have that meaning also. The term "disassociated" is used in the specification in the sense of "separate," "standing by itself," or "not part of something else," which is consistent with its normal meaning of "detached from association." For example, the specification discusses the opportunity for "multimedia products that allow consumers to browse, create, collect, and exchange disassociated pieces of multimedia data" (emphasis added) (page 4, lines 7-8) as opposed to "large, monolithic collections of data that can only be

Appeal No. 1998-2848
Application 08/398,862

browsed by the consumer" (page 4, lines 9-10). As another example, the specification discusses "disassociated components in the form of ETCs" (page 20, lines 2-3).

We interpret "a disassociated computer program" in claim 1 to be a separate computer program, i.e., a program that is not part of a larger computer program. The "ETC corresponding to a disassociated computer code segment" in all of the independent claims is interpreted to mean that the ETC is a separate computer code segment, i.e., a code segment that is not part of a larger code segment. Because the claims do not recite that the computer program or the computer code segment is stored on a tangible medium, no medium is expressly or impliedly claimed.

35 U.S.C. § 101

The Examiner states (Paper No. 10, page 2):

The claimed invention is directed to data structures representing descriptive material per se. This determination is based on the fact that Applicant has intentionally avoided claiming the mechanism or medium that is interrelated with the data structure; e.g.: "disassociated computer program"; "disassociated computer code segments." See M.P.E.P. 2106.

Section 2106 of the Manual of Patent Examining Procedure (MPEP) reproduces the Patent and Trademark Office Examination Guidelines for Computer-Related Inventions (Guidelines),

Appeal No. 1998-2848
Application 08/398,862

1184 Off. Gaz. Pat. & Trademark Office 87 (March 26, 1996)².

As stated in MPEP § 2106 under heading IV.B.1, "Non-Statutory Subject Matter":

Descriptive material can be characterized as either "functional descriptive material" or "nonfunctional descriptive material." In this context, "functional descriptive material" consists of data structures and computer programs which impart functionality when encoded on a computer-readable medium. . . . "Nonfunctional descriptive material" includes but is not limited to music, literary works and a compilation or mere arrangement of data.

Both types of "descriptive material" are nonstatutory when claimed as descriptive material per se. When functional descriptive material is recorded on some computer-readable medium it becomes structurally and functionally interrelated to the medium and will be statutory in most cases. . . . When nonfunctional descriptive material is recorded on some computer-readable medium, it is not structurally and functionally interrelated to the medium but is merely carried by the medium. Merely claiming nonfunctional descriptive material stored in a computer-readable medium does not make it statutory. . . .

We refer to the analysis in section IV.B.1(a) in the MPEP and the Guidelines for further analysis. Computer programs and data structures per se are abstractions and do not fall within any of the four statutory categories of patentable subject matter.

Appellant groups claims 1-39 to stand or fall together (Br11). Thus, the rejection would normally be decided on the basis of a single claim. See 37 CFR § 1.192(c)(7) (1997).

Although Appellant reproduces the independent claims, this does

² MPEP § 2106 incorporates the footnotes of the Guidelines into the body of the text and changes some wording, such as "non-functional" in the Guidelines to "nonfunctional."

not constitute an argument as to why the claims are separately patentable. Id. Under the rules, we could consider claims 1-39 to stand or fall together with claim 1, in which case all the claims would be considered nonstatutory because claim 1 is nonstatutory. However, we have decided to address the independent claims separately. The dependent claims will stand or fall with their respective independent claim.

Independent claim 1 and dependent claims 2-14

The "disassociated computer program" in claim 1 is a computer program per se, i.e., a computer program in the abstract and not embodied in any tangible medium. It is considered non-statutory "functional descriptive material" for the reasons discussed in the Guidelines and the MPEP. The "ETC corresponding to a disassociated computer code segment and having an electronic format" is a data structure per se, i.e., a data structure (as shown in Figure 1) in the abstract and not embodied in any tangible medium. It is also considered non-statutory "functional descriptive material" for the reasons discussed in the Guidelines and the MPEP. Claim 1, as a whole, does not recite statutory subject matter. Although claim 1 is directed to a "system" in the preamble, this is not determinative of statutory subject matter. See In re Walter, 618 F.2d 758, 205 USPQ 397 (CCPA 1980) (system claims and method claims held nonstatutory).

Appeal No. 1998-2848
Application 08/398,862

Appellant argues that the § 101 rejection is untimely and puts an undue burden on Appellant (Br12-13). While it is unfortunate that the Examiner did not enter the § 101 rejection until the third Office action, there is nothing that can be done. Examiners are charged with making sure that an "applicant is entitled to a patent under law," 35 U.S.C. § 151. A statutory ground of rejection cannot be dismissed just because it was not entered earlier.

Appellant argues (Br13): "The Examiner's proposition 'that the Applicant has intentionally avoided claiming the mechanism or medium that is interrelated with the data structure' is pure speculation without any factual basis and, moreover, is apt to offend Applicant and his Counsel." The claims define what Appellant regards as his invention. 35 U.S.C. § 112, second paragraph. Since claim 1 does not recite any substrate medium on which the computer program and ETCs are stored, it must be presumed that Appellant intended not to claim the medium.

Appellant quotes claims 1, 15, 16, 19, 21, and 38 and concludes (Br15-16): "Clearly, none of the above claims is directed to data structures representing descriptive material per se. [Paragraph] For example, Claim 1 essentially recites a system comprising a disassociated computer program consisting of electronic trading cards." Appellant makes no effort to address why a computer program and an ETC computer code segments are not

Appeal No. 1998-2848
Application 08/398,862

descriptive material "per se" under the Guidelines and the MPEP, that is, Appellant has not shown how the claims (especially claim 1) recite something physical.

Appellant quotes from the specification and states (Br16):
"The concept of the conventional trading card is well known, and, in doubt, the physical appearance of the electronic trading card would have to be assumed to be similar to that of a conventional trading card." The claims define the invention. It is Appellant's responsibility to claim what he regards as his invention and we assume the claims reflect Appellant's intent. Here there is nothing physical about what is claimed in claim 1 and no physical appearance is recited. Limitations will not be read into the claims from the specification to make the claimed subject matter statutory. Moreover, it is not clear what limitations Appellant would have read in from the specification.

Appellant argues (Br16-17):

From the above it is clear that it is not a data structure per se or a computer program per se (so-called Functional Descriptive Material) which is claimed. See M.P.E.P. 2106 B 1.(a): "Data Structures [sic] not claimed as embodied in computer-readable media are descriptive material per se and are not statutory because they are neither physical 'things' nor statutory processes." The present claims are clearly different and directed to different subject matter than was claimed in Warmerdam, 33 F.3d, 1361, 31 USPQ2d, 1760 [cited in footnote 30 in the Guidelines to the quotation] where a claim to a data structure per se was held nonstatutory. While the invention may be worked using a series of steps to be performed on a computer (e.g. in case of on-line ETCs), the system according to the invention may as well be implemented by using physical trading cards containing the particular ETC format (i.e. ETCs on physical media). But

Appeal No. 1998-2848
Application 08/398,862

even in the former case, the invention does not merely manipulate an abstract idea or solve a purely mathematical problem without any limitation to a practical application. With the present invention, electronic trading cards must be produced or created, distributed or traded, then collected, and offer some kind of reward when a series of ETCs has been completed. Electronic trading cards can be viewed, either on a computer screen or on some other physical media (see order, In re Gary M. Beauregard, et al., Case No. 95-1054, Fed. Cir., 12 May 1995) ("Connector [sic ?] Programs Embodied in a Tangible Medium ...are patentable subject matter under 35 USC § 101....").

Again, the claims define the invention and claim 1 does not recite that the computer program and the ETC computer code segment are embodied in physical media. The claimed computer program and a computer code segment having a certain format (i.e., a data structure) are abstract. The citation of In re Beauregard is inapposite because the claimed subject matter is not embodied in a tangible medium as noted in the quotation.

For the reasons discussed above, Appellant has not persuaded us of error in the rejection of claim 1. The § 101 rejection of claim 1 and its dependent claims 2-14 is sustained.

Independent claims 15, 16, and 19
and dependent claims 17, 18, and 20

Claims 15, 16, and 19 are method claims and, therefore, the analysis applied to claim 1 does not hold. The Examiner apparently recognized this when writing the Examiner's Answer and provided this additional reasoning (EA3-4):

The claimed invention of claims 15, 16, 19, 21 and those dependent therefrom are directed to abstract ideas. Each set of claims describe an ethereal function. If the

Appeal No. 1998-2848
Application 08/398,862

function is not ethereal then it is unknown who (a person) or what (a computer) is performing the function or who or what is being operated on by the function.

Appellant did not file a reply brief to challenge these new reasons by the Examiner. See 37 CFR § 1.193(b) (appellant may file a reply brief addressing new points of arguments). Nevertheless, we do not affirm the rejection pro forma.

"[A] series of steps is a 'process' within § 101 unless it falls within a judicially determined category of nonstatutory subject matter exceptions." In re Sarkar, 588 F.2d 1330, 1333, 200 USPQ 132, 137 (CCPA 1978). The recognized exceptions are for "laws of nature, natural phenomena, and abstract ideas." See In re Alappat, 33 F.3d 1526, 1542, 31 USPQ2d 1545, 1556 (Fed. Cir. 1994) (in banc) (citing Diamond v. Diehr, 450 U.S. 175, 185 (1981)). The key to statutory subject matter is whether the claimed subject matter is directed to a "practical application," which the Federal Circuit has said is "a useful, concrete and tangible result." State Street Bank & Trust Co. v. Signature Financial Group Inc., 149 F.3d 1368, 1375, 47 USPQ2d 1596, 1602 (Fed. Cir. 1998). Thus, a "process" no longer requires a physical transformation of something to a different state or thing (although such transformations fall within the so-called "safe harbors" of the Guidelines and MPEP § IV.B.2.(b)(i)).

Claim 15 recites steps of "assembling and personalizing at least one ETCs [sic]," "choosing a format and setting for said

Appeal No. 1998-2848
Application 08/398,862

ETC," followed by several optional steps. These steps are directed to a "useful, concrete and tangible result" of preparing an ETC. We do not agree with the Examiner's conclusion that the steps are "ethereal" in the sense of lacking some physical action. The § 101 rejection of claim 15 is reversed.

Claim 16 recites steps of "entering a multiroom virtual environment where each room in said environment requires a specific set of ETC to complete an ETC collection," "finding a missing ETC," "completing said set," and "reward when said set is completed." These steps are directed to a "useful, concrete and tangible result" of an ETC collecting activity. We do not agree with the Examiner's conclusion that the steps are "ethereal." The § 101 rejection of claim 16 and its dependent claims 17 and 18 is reversed.

Claim 19 recites steps of "solving a puzzle having increasing levels of difficulty using a series of [ETCs]" and "reproducing a personalized certificate of completion when, and only when, each level of said puzzle is solved, said certificate of completion optionally including clues to solve a next level of said puzzle." These steps are directed to a "useful, concrete and tangible result" of playing a puzzle game using ETCs. We do not agree with the Examiner's conclusion that the steps are "ethereal." The § 101 rejection of claim 19 and its dependent claim 20 is reversed.

Appeal No. 1998-2848
Application 08/398,862

NEW GROUND OF REJECTION UNDER 37 CFR § 1.196(b)
Independent claim 21 and dependent claims 22-37

We enter a new ground of rejection under 37 CFR § 1.196(b) as to claim 21 and its dependent claims 22-37 under 35 U.S.C. § 112, second paragraph.

Claim 21 recites the single step of "a dissociating a computer program, consisting of a plurality of electronic trading cards (ETCs), each ETC corresponding to a disassociated computer code segment and having an electronic format that supports card scarcity and card authenticity." In our opinion, the phrase "a dissociating a computer program" is indefinite under 35 U.S.C. § 112, second paragraph. It cannot be determined whether claim 21 intends to recite "dissociating a computer program" or "a dissociating computer program." In any case, it is not known what is meant by either phrase and we find no description of either phrase in the specification.

We reverse the § 101 rejection of claims 21-37. Where the claimed subject matter is indefinite, an evaluation thereof relative to statutory subject matter is inappropriate. Cf. In re Wilson, 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970) ("If no reasonably definite meaning can be ascribed to certain terms in the claim, the subject matter does not become obvious--the claim becomes indefinite); In re Steele, 305 F.2d 859, 862, 134 USPQ 292, 295 (CCPA 1962) ("[O]ur analysis of the claims leaves us in a quandry as to what is covered by them. We think

Appeal No. 1998-2848
Application 08/398,862

the examiner and the board were wrong in relying on what at best are speculative assumptions as to the meaning of the claims and basing a rejection under 35 U.S.C. § 103 thereon.").

Independent claim 38 and dependent claim 39

System claim 38 recites "said ETC including a display system, a housing, software, a battery, a CPU, and an LCD display." Thus, system claim 38 recites physical structure which has not been addressed by the Examiner. Although claim 38 does not recite that the ETC data structure is contained in a memory (which is missing from the list of structure), the structure included with the ETC is enough to provide statutory subject matter. Accordingly, the § 101 rejection of claims 38 and its dependent claim 39 are reversed.

35 U.S.C. § 102(e)

The rejection stands or falls based on the sufficiency of the Peppel declarations to antedate the Smith patent

The merits of the anticipation rejection over Smith have never been argued during prosecution and are not argued in the Brief. See 37 CFR § 1.192(c)(8)(iii) (1997) (In the rule governing the content of the Argument section of the appeal brief: "For each rejection under 35 U.S.C. 102, the argument shall specify the errors in the rejection and why the rejected claims are patentable under 35 U.S.C. 102, including any specific limitations in the rejected claims which are not described in the

Appeal No. 1998-2848
Application 08/398,862

prior art relied upon in the rejection."). Appellant relies exclusively on the (First) Declaration Under 37 CFR § 1.131 by the inventor Tyler Peppel (part of Paper No. 5) and the Second Declaration Under 37 CFR § 1.131 by Mr. Peppel (Paper No. 8) to antedate the Smith patent. Accordingly, the rejection will be decided based on the sufficiency of the Peppel declarations to swear behind Smith. Cf. In re Baxter Travenol Labs., 952 F.2d 388, 391, 21 USPQ2d 1281, 1285 (Fed. Cir. 1991) ("It is not the function of this court to examine the claims in greater detail than argued by an appellant, looking for nonobvious distinctions over the prior art."); In re Wiechert, 370 F.2d 927, 936, 152 USPQ 247, 254 (CCPA 1967) ("This court has uniformly followed the sound rule that an issue raised below which is not argued in this court, even if it has been properly brought here by a reason of appeal, is regarded as abandoned and will not be considered. It is our function as a court to decide disputed issues, not to create them."); In re Wiseman, 596 F.2d 1019, 1022, 201 USPQ 658, 661 (CCPA 1979) (arguments must first be presented to the Board before they can be argued on appeal).

The Peppel declarations do not establish conception of the claimed invention coupled with diligence to the filing date

A prior art patent which does not claim the same patentable invention may be sworn behind under 37 CFR § 1.131 by a showing of facts sufficient to establish a completion of the invention in

Appeal No. 1998-2848
Application 08/398,862

this country before the filing date of the application on which the U.S. patent issued. "The showing of facts shall be such, in character and weight, as to establish reduction to practice prior to the effective date of the reference, or conception of the invention prior to the effective date of the reference coupled with due diligence from prior to said date to a subsequent reduction to practice or to the filing of the application."

37 CFR § 1.131(b). The "invention" refers to the subject matter of the claims. The purpose of the Rule 131 showing is to establish broadly possession of the invention. A Rule 131 declarant need not necessarily show possession of the entire invention as later claimed; it is sufficient that he shows possession of enough to make the entire invention obvious to one of ordinary skill in the art. See In re Spiller, 500 F.2d 1170, 1176, 182 USPQ 614, 618-19 (CCPA 1974). Cf. Bosies v. Benedict, 27 F.3d 539, 543, 30 USPQ2d 1862, 1865 (Fed. Cir. 1994) (In interferences: "The question of conception is properly directed to whether there was 'formation [] in the mind of the inventor of a definite and permanent idea of the complete and operative invention . . . [and whether] every limitation of the count [was] known to the inventor at the time of the alleged conception.' Coleman v. Dines, 754 F.2d 353, 359, 224 USPQ 857, 862 (Fed. Cir. 1985) (emphasis added).").

Appeal No. 1998-2848
Application 08/398,862

The Examiner states (Paper No. 10, pages 2-3):

The evidence is insufficient to establish a conception of the invention prior to the effective date of the Smith et al. reference. Conception is the mental part of the inventive act. The Applicant proves conception either by demonstrative evidence or by a complete disclosure to another. In this case, providing a photocopy of a lab notebook page having the word "E-Card" is not demonstrative evidence. Demonstrative evidence is evidence that would enable one skilled in the art to understand what the invention is; e.g.: a flowchart or a block diagram is such evidence in this technological art. Furthermore, the evidence showing communications between an inventor and a third party does not show complete disclosure to another. It is clear that the communication[s] were in regards to a licensing agreement. A reasonable businessman when in a potential arms-length negotiation would not "show all his cards" to his adversary for fear of losing leverage and proprietary rights; therefore, complete disclosure to another was not conveyed at these meetings or communications.

The evidence submitted is insufficient to establish diligence from a date prior to the date of reduction to practice to [sic, of] the Smith et al. reference to constructive reduction to practice, i.e. the Applicant's filing date. The particular "screen shots" are insufficient to show diligence because the Applicant has not provided evidence to establish the contents of each document and the authenticity of the dates shown next to the document icons.

Thus, the Examiner finds the declarations and evidence insufficient to establish conception and diligence, both of which are necessary to antedate the Smith patent.

Appellant argues that the Peppel declarations provide evidence of conception prior to the effective date of Smith (December 7, 1994) along with evidence of due diligence (Br18).

Appeal No. 1998-2848
Application 08/398,862

The declarations authenticate the evidence, but make no attempt to correlate the evidence with the limitations of the claims.

We agree with the Examiner's conclusion that the evidence is not sufficient to establish conception and diligence, but disagree with the Examiner's expressed reasons. Thus, although we sustain the rejection, we designate this a new ground of rejection because Appellant has not had a fair opportunity to respond. See In re Kronig, 539 F.2d 1300, 1302, 190 USPQ 425, 426 (CCPA 1976) (the "ultimate criterion" of whether a rejection is new is "whether appellants have had a fair opportunity to react to the thrust of the rejection").

The Examiner states that showing is insufficient because the evidence is not "demonstrative evidence." Demonstrative evidence is evidence addressed directly to the senses without intervention of witnesses or testimony, as by actual sight, hearing, or taste. It is not evidence which demonstrates how the invention works as the Examiner appears to think. Appellant's evidence is demonstrative evidence. The Examiner hints at the correct reason by stating that a lab notebook page having the word "E-card" is not the kind of evidence that would enable one skilled in the art to understand the invention. However, this does not inform Appellant of the real deficiency in the evidence.

The Examiner also states that the invention was not completely disclosed at the meetings noted in the evidence. This

is an unsupported conclusion. We have no way of knowing from the evidence exactly what was conveyed at the meetings.

The real reason the evidence does not establish conception is because it does not show that Appellant was in possession of the claimed invention. The showing of conception must be commensurate in scope with the claims. All independent claims 1, 15, 16, 19, 21, and 38 contain the following limitation: "each ETC . . . having an electronic format that supports card scarcity and card authenticity." "Card scarcity" can be generated by user skill, timing, copy protection, limited manufacturing, and random distribution of partial sets (specification, pages 11-12, 15). "Card authenticity" can be accomplished with encryption; e.g., "Counterfeit ETCs can be detected using public-key/private-key encryption" (specification, page 12, lines 12-13). We do not find the concepts of "card scarcity" and "card authenticity" discussed anywhere in the evidence submitted. One of the slides is entitled "E-Card Security"; however, this appears to just refer to how the ETCs are accessed and there is no mention of card scarcity or card authenticity. This is just one example, but it applies to all claims. As another example, we do not find support for the limitations of entering a multiroom virtual environment and completing a set as recited in claim 16. The declarations should particularly point out how each claim limitation is supported by the evidence. Appellant has not

Appeal No. 1998-2848
Application 08/398,862

established conception of the claimed invention and the Rule 131 declarations are insufficient to overcome Smith. The anticipation rejection of claims 1-39 is sustained.

In addition, even assuming the evidence was sufficient to establish conception, Appellant has failed to establish diligence from a date prior to Smith's filing date to the constructive reduction to practice which occurred on the filing date of Appellant's application. We do not understand what the Examiner's comments have to do with diligence. Diligence is whether Appellant and his attorney worked without delay to get the application filed, not the contents of the document and the authenticity. While we agree with counsel's statement that, in many circumstances, "[i]t is not unreasonable to expect the preparation of a patent application to take the interval from December 2, 1994 until March 6, 1995" (Br18), since the delay is over three months, a declaration of counsel would normally be expected setting forth dates establishing progress towards filing. Therefore, Appellant has not established diligence from a date prior to Smith's filing date to the application filing date and the Rule 131 declaration is insufficient to overcome Smith. The anticipation rejection of claims 1-39 is sustained for this additional reason.

Appeal No. 1998-2848
Application 08/398,862

CONCLUSION

The rejection of claims 1-14 under 35 U.S.C. § 101 is sustained and the rejection of claims 15-20, 38, and 39 under § 101 is reversed. The rejection of claims 21-37 under § 101 is reversed because claim 21 is too indefinite to evaluate statutory subject matter. A new ground of rejection has been entered as to claims 21-37 under 35 U.S.C. § 112, second paragraph.

The rejection of claims 1-39 under 35 U.S.C. § 102(e) over Smith is sustained, but is denominated as a new ground of rejection because of new reasoning.

This decision contains a new ground of rejection pursuant to 37 CFR § 1.196(b) (amended effective Dec. 1, 1997, by final rule notice, 62 Fed. Reg. 53,131, 53,197 (Oct. 10, 1997), 1203 Off. Gaz. Pat. & Trademark Office 63, 122 (Oct. 21, 1997)). 37 CFR § 1.196(b) provides that, "A new ground of rejection shall not be considered final for purposes of judicial review."

37 CFR § 1.196(b) also provides that the appellant, WITHIN TWO MONTHS FROM THE DATE OF THE DECISION, must exercise one of the following two options with respect to the new ground of rejection to avoid termination of proceedings (§ 1.197(c)) as to the rejected claims:

(1) Submit an appropriate amendment of the claims so rejected or a showing of facts relating to the claims so rejected, or both, and have the matter reconsidered by the examiner, in which event the application will be remanded to the examiner. . . .

Appeal No. 1998-2848
Application 08/398,862

(2) Request that the application be reheard under § 1.197(b) by the Board of Patent Appeals and Interferences upon the same record. . . .

No time period for taking any subsequent action in connection with this appeal may be extended under 37 CFR § 1.136(a).

AFFIRMED - 37 CFR § 1.196(b)

Lee E. Barrett

LEE E. BARRETT
Administrative Patent Judge

Wm. H. Fleming

MICHAEL R. FLEMING
Administrative Patent Judge

BOARD OF PATENT
APPEALS
AND
INTERFERENCES

JEFFREY V. NASE

Administrative Patent Judge

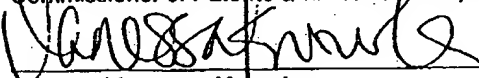
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I hereby certify that this paper or fee is being deposited with the United States Postal Service "Express Mail Post Office to Addressee" service under 37 CFR 1.10 on the date indicated above and is addressed to the Commissioner of Patents and Trademarks, Washington, D. C. 20231.


Vanessa Knowles

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: Peppel

Docket No.: OOMP0001

Serial No. : 08/398,862

Art Unit: 3304

Filed: 3/6/95

Examiner: O'Neill, M.

Appeal No. 1998-2848

Title: ELECTRONIC TRADING CARD

May 10, 2000

Commissioner of Patents and Trademarks
Washington, DC 20231

RESPONSE BASED ON DECISION ON APPEAL

Sir:

This Response is based upon the Decision On Appeal, dated 3/13/00 for the above-identified patent application. Applicant requests reconsideration by the Examiner, based upon the following claim amendments and remarks.

Please amend the application of follows:

In The Claims

Please amend Claims 1, 15, 16, 18, and 21 as follows:

Appeal No. 1998-2848
Application 08/398,862

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1. (Amended) A system for the implementation of a trading card metaphor, comprising:
- a disassociated computer program, consisting of a plurality of electronic trading cards (ETCs), each ETC corresponding to a disassociated computer code segment embodied in a tangible medium and having an electronic format that supports card scarcity and card authenticity.
15. (Amended) A method for implementing a trading card metaphor in an electronic trading card (ETC), comprising the steps of:
- assembling and personalizing at least one [ETCs] ETC, each ETC corresponding to a disassociated computer code segment and having an electronic format that supports card scarcity and card authenticity;
- choosing a format and setting for said ETC;
- optionally adding a personalized multimedia character to said ETC;
- optionally selecting a game to be incorporated into said ETC;
- optionally adding a secret message, linked to said game, to said ETC; and
- optionally adding links to other ETCs.
16. (Amended) A method for implementing a trading card metaphor in an electronic trading card (ETC), comprising the steps of:
- entering a [multiroom] virtual environment where [each room in] said environment requires a specific set of ETCs to complete an ETC collection, each ETC corresponding to a disassociated computer code segment and having an electronic format that supports card scarcity and card authenticity;
- finding a missing ETC;
- completing said set; and
- receiving a reward when said set is completed.
18. (Amended) The method of Claim 17, wherein finding a missing movie ETC in its hiding place allows [the] a person finding the missing ETC personalize any of the ETC and the movie.
21. (amended) A method for the implementing a trading card metaphor, comprising the steps of:
- [a] dissociating a computer program, consisting of a plurality of electronic trading cards (ETCs), each ETC corresponding to a disassociated computer code

segment and having an electronic format that supports card scarcity and card authenticity.

Remarks

5

1. 35 USC §101.

Per the Board of Appeals, Claims 1-14 stand rejected under 35 USC § 101 as lacking a recitation of a "tangible medium" in which the invention is embodied.

10

Applicant submits herewith amended Claim 1 in which a tangible medium is recited as follows:

15

1. A system for the implementation of a trading card metaphor, comprising:

a disassociated computer program, consisting of a plurality of electronic trading cards (ETCs), each ETC corresponding to a disassociated computer code segment embodied in a tangible medium and having an electronic format that supports card scarcity and card authenticity.

20

As such, Claims 1-14 now recite patentable subject matter under 35 USC101.

Claims 15-39 are deemed by the Board of Appeals to recite patentable subject matter under 35 USC 101.

25

2. 35 USC § 112.

Claims 21-37 stand rejected under 35 USC § 112 based upon a finding of indefiniteness of Claim 21.

30

Applicant submits herewith amended Claim 21 as follows:

35

21. A method for the implementing a trading card metaphor, comprising the steps of:

[a] dissociating a computer program, consisting of a plurality of electronic trading cards (ETCs), each ETC corresponding to a disassociated

computer code segment and having an electronic format that supports card scarcity and card authenticity.

As such, Claims 21-37 are deemed definite under 35 USC §112.

5

3. 35 USC § 102.

Conception

10 The Board of Appeals has held that Applicant's Declaration under 37 CFR 1.131 does not establish conception because it does not show that Applicant was in possession of the claimed invention. This is a newly cited ground of rejection.

15 Responsive thereto, Applicant has set forth each independent claim below with annotations to a document entitled Card Activities (document "BC2"), dated 12/4/94, that was originally provided to the Patent Office in a Declaration of the inventor under 37 CFR 1.131 on 2 October 1996. This document refers to E-Cards. E-Cards are defined as electronic trading cards in a document dated 11/9/94 (document "BC1"), that was originally provided to the Patent Office in a Declaration
20 of the inventor under 37 CFR 1.131 on 2 October 1996. Thus, E-Cards are electronic trading cards, as set forth in each of the claims. The structure of E-Cards is set forth in a document entitled The World of E-Card (document "C1"), dated 9/7/94, which was originally provided to the Patent Office in a Declaration of the inventor under 37 CFR 1.131 on 2 October 1996.

25

The following annotation shows that the various concepts embodied in the claims were conceived before the critical date of the Smith reference, *i.e.* 7 December 1994. Thus, Applicant was in possession of the claimed invention before the critical date and such conception was commensurate with the scope of the claims.
30 Applicant has amended Claim 16 to conform to the subject matter disclosed in the above referenced document.

1. A system for the implementation of a trading card metaphor, comprising:	See documents BC1 and C1.
a disassociated computer program,	The notion of a "a disassociated

<p>consisting of a plurality of electronic trading cards (ETCs), each ETC corresponding to a disassociated computer code segment embodied in a tangible medium and having an electronic format that supports card scarcity and card authenticity.</p>	<p>computer code segment" is discussed in document C1 ("E-Cards are small multimedia software programs").</p> <p>The notion of a tangible medium is disclosed on document C1 ("floppy discs, online servers, CD-ROM, PCMCIA cards").</p> <p>See document BC2, where Applicant states: "Card Collecting....5. Next week Tim's friend Jerry gives him a <u>rare</u> Movie Card at school. Tim's friends <u>have been searching for this card for weeks</u> and Jerry is the first to find it." The notion of searching for a rare card clearly conveys the concept of scarcity. A rare card is scarce by definition, otherwise it would not be rare.</p> <p>Further, under "Card Collecting" in document BC2, Applicant teaches "3. He finds the missing card at a local trade card store." A trading card store clearly conveys the concept of authenticity. Cards have value as collectibles because they are authentic.</p> <p>Thus, the notion of "scarcity and card authenticity" is inherent in a trading card - also see the Declaration Under 37 CFR 1.132 - Tyler Peppel, attached hereto and discussed below.</p>
---	---

15. A method for implementing a trading card metaphor in an electronic trading card (ETC) , comprising the steps of:	See documents BC1 and C1.
assembling and personalizing at least one ETC, each ETC corresponding to a disassociated computer code segment and having an electronic format that supports card scarcity and card authenticity;	<p>The notion of a "a disassociated computer code segment" is discussed in document C1 ("E-Cards are small multimedia software programs").</p> <p>See document BC2, where Applicant states: "Card Collecting...5. Next week Tim's friend Jerry gives him a <u>rare</u> Movie Card at school. Tim's friends <u>have been searching for this card for weeks</u> and Jerry is the first to find it." The notion of searching for a rare card clearly conveys the concept of scarcity. A rare card is scarce by definition, otherwise it would not be rare.</p> <p>Further, under "Card Collecting" in document BC2, Applicant teaches "3. He finds the missing card at a local trade card store." A trading card store clearly conveys the concept of authenticity. Cards have value as collectibles because they are authentic.</p> <p>Thus, the notion of "scarcity and card authenticity" is inherent in a trading card - also see the Declaration Under 37 CFR 1.132 - Tyler Peppel, attached hereto and discussed below.</p>
choosing a format and setting for said ETC;	Document BC2 describes several setting and formats for E-Cards.
optionally adding a personalized	This step is optional.

multimedia character to said ETC;	
optionally selecting a game to be incorporated into said ETC;	This step is optional.
optionally adding a secret message, linked to said game, to said ETC; and	This step is optional.
optionally adding links to other ETCs.	This step is optional.

16. A method for implementing a trading card metaphor in an electronic trading card (ETC), comprising the steps of:	See documents BC1 and C1.
entering a virtual environment where said environment requires a specific set of ETCs to complete an ETC collection, each ETC corresponding to a disassociated computer code segment and having an electronic format that supports card scarcity and card authenticity;	<p>The notion of a "virtual environment" is discussed in document BC1 ("Card Collecting... 1.... This album is in the form of a haunted house, where each room requires a specific set of cards to complete the collection.").</p> <p>The notion of a "a disassociated computer code segment" is discussed in document C1 ("E-Cards are small multimedia software programs").</p> <p>See document BC2, where Applicant states: "Card Collecting....5. Next week Tim's friend Jerry gives him a <u>rare</u> Movie Card at school. Tim's friends <u>have been searching for this card for weeks</u> and Jerry is the first to find it." The notion of searching for a rare card clearly conveys the concept of scarcity. A rare card is scarce by definition, otherwise it would not be rare.</p> <p>Further, under "Card Collecting" in</p>

	<p>document BC2, Applicant teaches "3. He finds the missing card at a local trade card store." A trading card store clearly conveys the concept of authenticity. Cards have value as collectibles because they are authentic.</p> <p>Thus, the notion of "scarcity and card authenticity" is inherent in a trading card - also see the Declaration Under 37 CFR 1.132 - Tyler Peppel, attached hereto and discussed below.</p>
finding a missing ETC;	See document BC2 ("Car Collecting... 3. He finds the missing card at a local trading card store.").
completing said set; and	See document BC2 ("Car Collecting... 4. Completing the Dungeon Set...").
receiving a reward when said set is completed.	See document BC2 ("Car Collecting... 4. Completing the Dungeon Set makes Tim eligible for a special reward").

19. A method for implementing a trading card metaphor in an electronic trading card (ETC), comprising the steps of:	See documents BC1 and C1.
solving a puzzle having increasing levels of difficulty using a series of linked electronic trading cards (ETCs), each ETC corresponding to a disassociated computer code segment and having an electronic format that supports card scarcity and card authenticity; and	<p>See document BC2 ("Card Activities... 1. Jason puts an E-Card "Castle Quest" game in to his CD-ROM drive. In Castle Quest, players solves puzzles with increasing levels of difficulty.").</p> <p>The notion of a "a disassociated computer code segment" is discussed in document C1 ("E-Cards are small multimedia software programs").</p>

	<p>See document BC2, where Applicant states: "Card Collecting...5. Next week Tim's friend Jerry gives him a <u>rare</u> Movie Card at school. Tim's friends <u>have been searching for this card for weeks</u> and Jerry is the first to find it." The notion of searching for a rare card clearly conveys the concept of scarcity. A rare card is scarce by definition, otherwise it would not be rare.</p> <p>Further, under "Card Collecting" in document BC2, Applicant teaches "3. He finds the missing card at a local trade card store." A trading card store clearly conveys the concept of authenticity. Cards have value as collectibles because they are authentic.</p> <p>Thus, the notion of "scarcity and card authenticity" is inherent in a trading card - also see the Declaration Under 37 CFR 1.132 - Tyler Peppel, attached hereto and discussed below.</p>
reproducing a personalized certificate of completion when, and only when, each level of said puzzle is solved, said certificate of completion optionally including clues to solve a next level of said puzzle.	<p>See document BC2 ("Card Activities... 2. Jason has solved four levels of the game and printed the first four clue cards. The clue cards come pre-printed in color along with the game. When Jason feeds them through his printer, his name and the date and time appear on the card.").</p>

21. A method for the implementing a trading card metaphor, comprising the steps of:	See documents BC1 and C1.
dissociating a computer program, consisting of a plurality of electronic trading cards (ETCs), each ETC corresponding to a disassociated computer code segment and having an electronic format that supports card scarcity and card authenticity.	<p>The notion of a "a disassociated computer code segment" is discussed in document C1 ("E-Cards are small multimedia software programs").</p> <p>See document BC2, where Applicant states: "Card Collecting....5. Next week Tim's friend Jerry gives him a <u>rare</u> Movie Card at school. Tim's friends <u>have been searching for this card for weeks</u> and Jerry is the first to find it." The notion of searching for a rare card clearly conveys the concept of scarcity. A rare card is scarce by definition, otherwise it would not be rare.</p> <p>Further, under "Card Collecting" in document BC2, Applicant teaches "3. He finds the missing card at a local trade card store." A trading card store clearly conveys the concept of authenticity. Cards have value as collectibles because they are authentic.</p> <p>Thus, the notion of "scarcity and card authenticity" is inherent in a trading card - also see the Declaration Under 37 CFR 1.132 - Tyler Peppel, attached hereto and discussed below.</p>

38. A system for the implementation of a	See documents BC1 and C1.
--	---------------------------

trading card metaphor comprising:	
<p>a disassociated computer program consisting of a plurality of electronic trading cards (ETCs) each ETC corresponding to a disassociated computer code segment and having an electronic format that supports card scarcity and card authenticity;</p>	<p>The notion of a "a disassociated computer code segment" is discussed in document C1 ("E-Cards are small multimedia software programs").</p> <p>See document BC2, where Applicant states: "Card Collecting....5. Next week Tim's friend Jerry gives him a <u>rare</u> Movie Card at school. Tim's friends <u>have been searching for this card for weeks</u> and Jerry is the first to find it." The notion of searching for a rare card clearly conveys the concept of scarcity. A rare card is scarce by definition, otherwise it would not be rare.</p> <p>Further, under "Card Collecting" in document BC2, Applicant teaches "3. He finds the missing card at a local trade card store." A trading card store clearly conveys the concept of authenticity. Cards have value as collectibles because they are authentic.</p> <p>Thus, the notion of "scarcity and card authenticity" is inherent in a trading card - also see the Declaration Under 37 CFR 1.132 - Tyler Peppel, attached hereto and discussed below.</p>
<p>said ETC including a display system, a housing, software, a battery, a CPU, and an LCD display.</p>	<p>See document BC2 ("Card Activities... Card Trading...3. Some very special cards comes with their own display system, so the "card" is a small plastic case housing software, batter, CRU and</p>

	LCD display.").
--	-----------------

The foregoing establishes that Applicant was in possession of the claimed invention before the critical date.

5 Applicant draws the Examiner's attention to document BC2, where Applicant states: "Card Collecting....5. Next week Tim's friend Jerry gives him a rare Movie Card at school. Tim's friends have been searching for this card for weeks and Jerry is the first to find it." The notion of searching for a rare card clearly conveys the concept of scarcity. A rare card is scarce by definition, otherwise it would not be rare.

10

Further, under "Card Collecting" in document BC2, Applicant teaches "3. He finds the missing card at a local trade card store." A trading card store clearly conveys the concept of authenticity. Cards have value as collectibles because they are authentic.

15 Applicant also provides herewith a Declaration of the inventor under 37 XFR 1.132, which is offered as evidence of the meaning of the terms "card scarcity" and "card authenticity." The Board of Appeals has indicated that in their opinion these concepts are not discussed anywhere in the evidence submitted. While these terms are not identically used in documents provided by Applicant as evidence of
20 conception, Applicant points out that trading cards are, by their nature, scarce and authentic.

Reduction To Practice

25 Applicant submits herewith a Declaration of Counsel which sets forth dates establishing progress toward filing. It is thought that this submission overcomes the concerns expressed by the Board of Appeals and therefore clearly establishes diligence in reduction to practice.

Conclusion

5 In view of the claim amendments, Applicant's comments herein, the Declaration
Under 37 CFR § 1.132, and the Declaration of Counsel, Applicant respectfully
requests that the Examiner withdraw the rejections under 35 USC § 101, 35 USC §
112, and 35 USC § 102 and allow the application to issue as a U.S. patent.
Applicant would be pleased to discuss the matter with the Examiner should an
10 interview be deemed helpful toward concluding examination of the subject
application. In such case, the Examiner is encourage to contact Applicant's attorney,
Michael A. Glenn, at (650)474-8400.

Respectfully Submitted,

15



Michael A. Glenn

Attorney for Applicant

Reg. No. 30,176

20

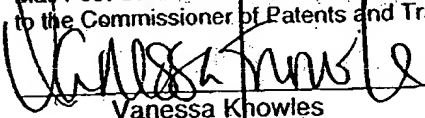
Customer No. 22862

Oompala - s/n 08/398,862

Express Mail mailing label no. EI 441831114US

Date of Deposit: April 11, 2000

I hereby certify that this paper or fee is being deposited with the United States Postal Service "Express Mail Post Office to Addressee" service under 37 CFR 1.10 on the date indicated above and is addressed to the Commissioner of Patents and Trademarks, Washington, D. C. 20231.


Vanessa Knowles

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: Peppel

Serial No. : 08/398,862

Filed: 3/6/95

Appeal No. 1998-2848

Title: ELECTRONIC TRADING CARD

Docket No.: OOMP0001

Art Unit: 3304

Examiner: O'Neill, M.

May 11, 2000

**Board of Patent Appeals and Interferences
Commissioner of Patents and Trademarks
Washington, DC 20231**

TRANSMITTAL OF RESPONSE BASED ON APPEAL

Sir:

Enclosed are the following:

1. Response based on decision on appeal dated 13 March 2000;
2. Declaration of Michael A. Glenn, with attachments;
3. Declaration under 37 CFR 1.132- Tyler Peppel with exhibits;
4. Return Postcard.

Respectfully Submitted,



**Michael A. Glenn
Attorney for Applicant
Reg. No. 30,176**

Customer No. 22862

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: Peppel

Docket No.: OOMP0001

Serial No. : 08/398,862

Art Unit: 3304

Filed: 3/6/95

Examiner: O'Neill, M.

Title: ELECTRONIC TRADING CARD

May 9, 2000

Assistant Commissioner for Patents
Washington, DC 20231

DECLARATION OF COUNSEL - MICHAEL A. GLENN

Sir:

This Declaration is provided in connection with Applicant's response to the Decision On Appeal, dated 3/13/00 for the above-identified patent application.

1. My name is Michael A. Glenn. I am a registered patent attorney (Reg. No. 30,176). I prepared the subject patent application.

2. Claims 1-39 of the above-identified patent application were objected to in the above Office Action under 35 USC § 102(e) for lack of novelty. The reference cited by the Examiner as the basis for this objection was U.S. Patent No. 5,533,124, issued to Smith *et al* (the "Smith" patent). Smith issued on 2 July 1996 and was filed on 7 December 1994.

3. The subject patent application was filed on 6 March 1995, less than one year after Smith was filed.

4. The invention which is the subject matter of the application was conceived at least as early as 7 September 1994 (see the previous submissions of Applicant in support thereof).

5. The Board of Appeals has indicated that Applicant has failed to establish diligence from a date prior to Smith's filing date to the constructive reduction to practice which occurred

on the filing date of the subject application. The Board of Appeals has also indicated that a declaration of counsel would be expected setting forth dates establishing progress towards filing. Further, the Board of Appeals has agreed that, in many circumstances, it is not unreasonable to expect the preparation of a patent application to take the interval from 2
5 December 1994 under 6 March 1995.

6. In a Declaration Under 37 CFR 1.131, the inventor has stated that he requested a search of his invention. The inventor has declared that the search was ordered by the inventor's attorney on 11/28/94 (prior to Smith's filing date) and was reported to the inventor's
10 attorney by the searcher on 12/2/94 (prior to Smith's filing date).

7. I met with the inventor, Tyler Peppel, at least as early as 1/4/95 to discuss preparation of a patent application for the subject invention (see my attached Time Log). It is not unreasonable that the inventor would receive the search results some time after his attorney
15 received them, that the inventor would then carefully review these results, and that the inventor would seek competent representation by a patent attorney. It is not unreasonable that this activity would take about one month, i.e. from about 12/2/94 to about 1/4/95.

8. I interviewed the inventor, Tyler Peppel, on 1/22/95, as evidenced by the attached
20 interview transcript.

9. I received a tape of the interview for transcription from the inventor on 2/10/95, as evidenced by the attached note, signed by the inventor.

25 10. Partial payment for preparation of the patent application was sent to me on 2/23/95, as evidenced by the attached fax from the inventor.

11. I faxed the figures for the patent application to the inventor on 2/28/95, as evidenced by the attached fax transmittal.
30

12. The inventor provided comments on the draft patent application to me on 3/5/95, as evidenced by the attached email.

13. The application was filed on 3/6/95.
35

14. Accordingly, the entire process of preparing, reviewing, and filing the patent application took about two months, *i.e.* from about 1/4/95 to 3/6/95 and was commenced shortly after the inventor received the results of a search on his invention. It is my experience that this process typically takes longer and that the inventor here exercised a high level of diligence in having his patent application prepared, *i.e.* he exercised a high level of diligence in reducing his invention to practice.

15. I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.

15 

Michael A. Glenn

5/11/00

DATE



I hereby certify that this transmittal of the below described document is being deposited with the United States Postal Service in an envelope bearing First Class Postage and addressed to the Commissioner of Patents and Trademarks, Washington, D.C., 20231, on the below date of deposit.

Date of Deposit: 10/2/96	Name of Person Making the Deposit: MARCIA D. SHEA	Signature of the Person Making the Deposit: <i>Marcia D. Shea</i>
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: Peppel

Docket No.:

Serial No. : 08/398,862

Art Unit: 3304

10 Filed: 3/6/95

Examiner: O'Neill, M.

Title: ELECTRONIC TRADING CARD

15 September 22, 1996

Honorable Commissioner of Patents and Trademarks
Washington, DC 20231

20 **DECLARATION UNDER 37 CFR § 1.131 - TYLER PEPPEL**

Sir:

25 This Declaration is provided in connection with Applicant's response to the Office Action, dated 8/16/96 for the above-identified patent application.

1. My name is Tyler Peppel. I am the inventor of the invention claimed in the subject patent application.

30 2. Claims 1-39 of the above-identified patent application were objected to in the above Office Action under 35 USC § 102(e) for lack of novelty. The reference cited by the Examiner as the basis for this objection was U.S. Patent No. 5,533,124, issued to Smith *et al* (the "Smith" patent). Smith issued on 2 July 1996 and was filed on 7 December 1994. Smith does not claim the same
35 invention as that claimed in the application.

3. The subject patent application was filed on 6 March 1995, less than one year after Smith was filed.

4. The invention which is the subject matter of the application was conceived at least as early as 7 September 1994.

5. Attached hereto as an exhibit is a document entitled "The World of E-Card." The document bears the legend "Confidential ©1994 Oompala, and provided the basis for preparation of the subject application. The document was prepared before the 7 December 1994 filing date of the Smith patent.

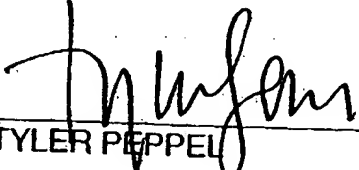
6. Also attached hereto as an exhibit is a memorandum dated 9 November 1994. The memorandum clearly described the subject invention, *i.e.* E-card. This document was also prepared before the 7 December 1994 filing date of the Smith patent.

7. Also attached is a letter to M. Patricia Thayer dated 2 December 1994 which provides the results of a patentability search on the subject invention, as performed by Lawrence E. Laubscher, Jr. in response to Ms. Thayer's telefax search request of 28 November 1994 (referenced in the letter). This document was also prepared before the 7 December 1994 filing date of the Smith patent.

Note that the invention is clearly described in the letter.

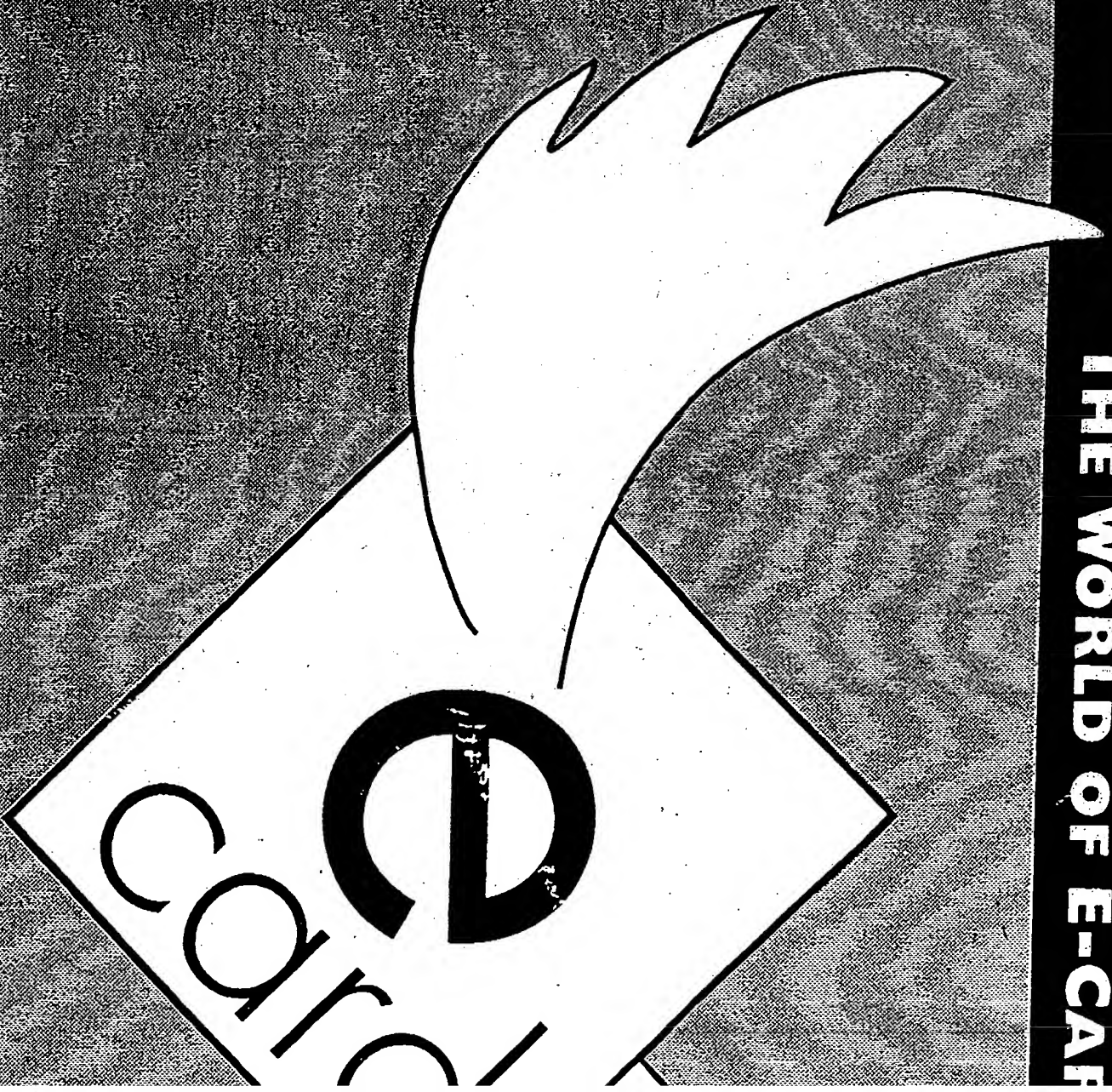
8. I diligently worked toward the reduction to practice of the invention to which the application relates from the time of conception to at least until the submission of the subject application to the Patent Office.

9. I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.


TYLER PEPPEL

9.27.96
DATE

THE WORLD OF E-CAP



November 9, 1994

DOCUMENT BCL
11/9/94

To: Naomi Tobita, Bandai cc: Hikaru Sasahara, IMA
From: Tyler Peppel
Re: E-Card (Electronic Trading Card) Project

Note: We made up this new code name (E-Card) to describe any product which uses the "Electronic Trading Card" concept discussed at our meeting last Monday. We propose that it become a confidential code name between our companies.)

We are very pleased to submit this preliminary business proposal to Bandai for the E-Card project. We have written this proposal with the hope that we will become business partners in the following efforts:

- developing the E-Card engine
- developing E-Card products using Bandai content and characters
- licensing the E-Card engine to non-competing companies and providing development services to those companies

The goal of our partnership is to make E-Card a worldwide standard for creative electronic communication between children, families and business people.

Longer term, E-Card is a step toward personal electronic communications on-line.

We have three versions of the proposal: A, B, and C. All versions assume the production schedule we discussed at our meeting Monday November 7. Dollar estimates do not include withholding tax. These proposals are preliminary and all terms are open to discussion.

Version A
(Non-exclusive relationship)

Proposal "A" assumptions:

- C-Wave grants Bandai a non-exclusive license to the E-Card engine for a per unit royalty
- Bandai pays C-Wave for custom enhancements to the E-Card engine and for integration of Bandai content

Sailor Moon development cost: \$380K

2nd product with same functionality, different content: \$270K

3rd product with same functionality, different content: \$240K

Per unit royalty retail: \$5

Per unit royalty bundled: \$3

Version B

(Exclusive Partnership for Japan)

Proposal "B" assumptions:

- Bandai and C-Wave have an exclusive partnership for E-Card in Japan
- Bandai and C-Wave share the development cost of a Japanese version of the E-Card engine
- Bandai and C-Wave share in Japanese E-Card engine revenues
- Bandai approves all third-party E-Card licenses in Japan

Sailor Moon development cost: \$420K

2nd product with same functionality, different content: \$270K

3rd product with same functionality, different content: \$240K

Per unit royalty retail: \$5

Per unit royalty bundled: \$3

Fee for Japan-only exclusivity on the concept: \$200K

Version C

(Exclusive Worldwide Partnership)

Proposal "C" assumptions:

the 1990s, the number of people in the world who are undernourished has increased from 600 million to 800 million. The number of people who are malnourished has increased from 1.2 billion to 1.5 billion. The number of people who are overweight has increased from 1 billion to 1.5 billion. The number of people who are obese has increased from 1 billion to 1.5 billion. The number of people who are undernourished and malnourished has increased from 1.2 billion to 1.5 billion. The number of people who are overweight and obese has increased from 1 billion to 1.5 billion. The number of people who are undernourished, malnourished, overweight, and obese has increased from 1.2 billion to 1.5 billion.

1. The first step in the process is to identify the problem or issue that needs to be addressed. This involves gathering information and understanding the context of the problem.

...the ...

...the fact that the ...

1. The first step in the process is to identify the problem. This involves gathering information about the situation and understanding the needs of the stakeholders involved.

...a worldwide partnership

[illegible]

...ive worldwide partnership
... with

- Bandai and C-Wave have an exclusive worldwide partnership for E-Card. C-Wave does not discuss the E-Card concept with other companies.

- Bandai and C-Wave share the development cost of the E-Card engine

- Bandai and C-Wave share in E-Card revenues worldwide

- Bandai approves all third-party E-Card licenses

Sailor Moon development cost: \$420

2nd product with same functionality, different content: \$270

3rd product with same functionality, different content: \$240

Per unit royalty retail: \$4

Per unit royalty bundled: \$2.50

Fee for worldwide exclusivity on the concept: \$500K

LAWRENCE E. LAUBSCHER, SR.
LAWRENCE E. LAUBSCHER, JR.

LAW OFFICES OF
LAUBSCHER & LAUBSCHER

SUITE 300
745 SOUTH 23RD STREET
ARLINGTON, VIRGINIA 22202

(703) 521-2660

OF COUNSEL
DONALD O. JACKSON
JOHN E. BENOIT

FACSIMILE: (703) 553-0174

December 2, 1994

M. Patricia Thayer
Howard, Rice, Nemerovski,
Canady, Robertson & Falk
Three Embarcadero Center
Seventh Floor
San Francisco, CA 94111

COPY

VIA FEDERAL EXPRESS

Re: Patentability Search on
E-CARD
Our Job No. 7399

Dear Patty:

In response to your telefax of November 28, 1994, we have now completed our patentability search on the above matter.

Briefly, the subject invention relates to an E-card software architecture used for an electronic trading card. The system has the capability of card making, card trading, card gaming and card collecting. The system uses card shops to make new cards, edit existing cards and layer different cards. Card activities include games/puzzles, mailing, and learning. Card trading can be accomplished through either floppy disk, on-line or any digital media. The cards could also be collected and organized in albums.

During our search, the following references were noted:

4,890,229	Rudnick	12/26/89
4,951,203	Halamka	8/21/90
4,965,727	Halamka	10/23/90
5,036,472	Buckley et al	7/30/91
5,056,029	Cannon	10/8/91
5,091,849	Davis et al	2/25/92
5,38,043	Rehm	8/16/94
5,356,151	Abecassis	10/18/94

Your attention is directed to the patent to Halamka No. 4,951,203 which discloses a computer card formatted by the user.

- Bandai and C-Wave have an exclusive worldwide partnership for E-Card. C-Wave does not discuss the E-Card concept with other companies.

M. Patricia Thayer
December 2, 1994
Page 2

computing machine. The composite communication is transmitted by the user to a recipient through a computerized central mail exchange apparatus or created on removable, transportable magnetic media, such as a floppy disk. The disk could be inserted into and read by the recipient's audio and visual display device.

The Buckley et al patent No. 5,036,472 discloses a "machine for vending greeting cards or other personalized or customized products (which) includes audio and video presentations of available products and options available to a customer, provisions for payment and apparatus for automatic delivery of products. Base products such as preprinted forms are stored for selective transfer by a robot device to modifying apparatus such as a printer, modified products being delivered to a delivery receptacle, all operations being under computer control and being changeable as desired for adding or substituting new forms of products." (Abstract)

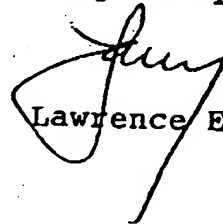
The remaining references were noted as being of general interest.

The field of search included:

Class 273, sub. 153R;
Class 364, subs. 227.1, 410, 419.2 and 916.5; and
Class 395, sub. 919.

Copies of the cited references are enclosed, and our debit note is attached.

Very truly yours,



Lawrence E. Laubscher, Jr.

LEL,jr/TB:ms

Enclosures

TIME LOG

BILLION
✓

1/2/95

9:00 H-~~ADP~~ ^{LIMIT} 9:10

✓ 9:35 ZAKRITZ TM ^{9:55}
LANGUAGE NAVIGATOR
LOGO

1/3/95

✓ 12:50 - 1:00
XILINX
TUTORIALS TM T. NICHOLS / MSB ZAKRITZ

1/4/95 P. TINDOR

TYLER PERRELL HYUNDAI - ELECTRONIC GRAPHIC CARD

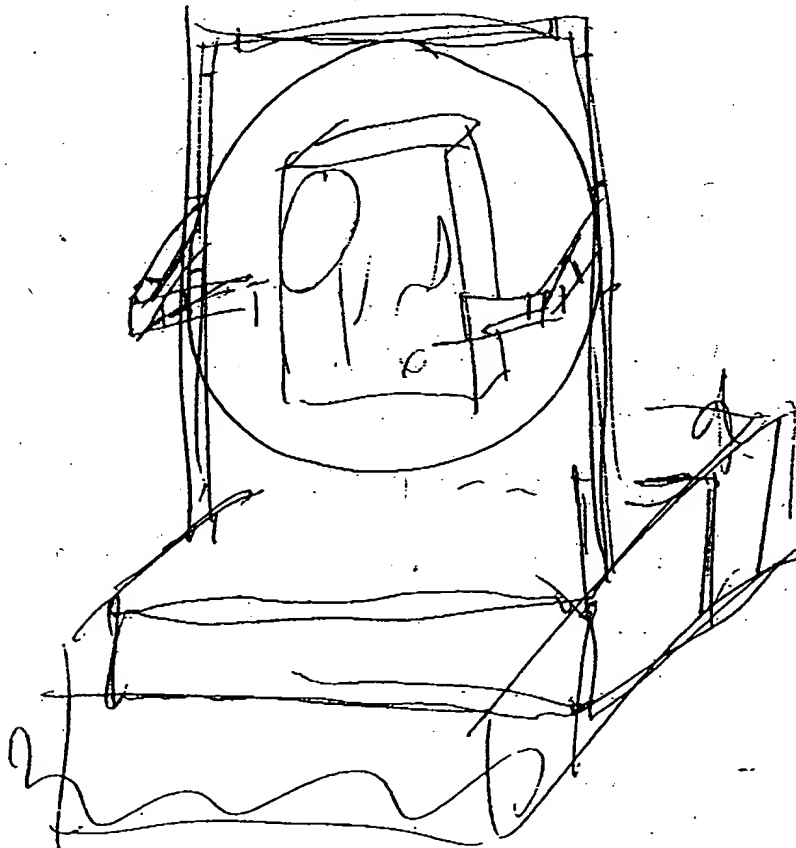
BENDERS - POWER RANGERS
PAT. SEARCH

F.W.O. 1984

GRISTING CARDS

PRINR NOT
INFRINGEMENT

SW PRODUCT THAT CLOVES TRADING CARDS



2.10.95

Hi MICHAEL -

Here is the e-cand tape
for TRANSCRIPTION.

-Th Gr.

MG Strategies for patent protection for electronic trading card

5

MG Do you want to start with the review of the prior art or do you want to start with the review of the concepts I found in your presentation in the world of e-card?

10 TH Why don't we start with the prior art. That way, I'll have a better understanding of how this relates to issues that come up....

MG Okay, and although this tape recording may be transcribed, the
15 opinions I render on this, just for your understanding, are not
written opinions, but they're simply oral opinions, and that even
though they are transcribed on the writing, they're not the
equivalent of a written opinion. If I were to make a written opinion,
it would take a considerable amount of analysis of what you've
20 already given. So, just going through this, there is a paper called the
21st story level one printed printed in full format. And on here,
there are a couple of things highlighted, one of which is already
made available, electronic press kits. This basically -- this seems to
me that these are similar to what's ... which we'll talk about. The
other thing in here that was highlighted is something about a video
25 tape for sporting events, and in it including electronic trading cards
featuring players, photos and stats from their latest season, and a

sports almanac CD. But it doesn't give any more detail about what these electronic trading cards are, so it's hard to tell from this article.

5 TH The Sports Illustrated CD I know of, and the cards are screens and information much as you would get if you scanned in a traditional trading card so you could display them on a computer.

10 MG So, it's just basically a scanned-in trading card. There's nothing nifty about that. Certainly, people could scan in anything nowadays and pure out the scanning. It alone is not novel or would not create a problem. We have here one, Patent No. 5,120,589. This is called a Collectible Promotional Card. This is irrelevant to what you're doing. This is simply a method of printing a photographic image on the laminate. There's another one here called Trading Cards and Method
15 of Concealing and Revealing Information. This is Patent No. 5,282,651. Again, this is irrelevant. These are trading cards that are interactive with the user by concealing under a coding a secondary show. This is like a scratch card.

20 TH Yes, like a scratch card.

MG That's irrelevant. We have here now one that's a little bit more relevant. 5,036,472. This is Buckley. This is Computer Controlled
25 Machine for Vending Personalized Products or the Like. The relevance of this is that it provides you the ability on screen to compose a greeting card, and then print it on the spot. So this electronic vending machine, the way I see it, the machine for

vending greeting cards or a personalized customized products including provisions for a payment. It also gives you the option to choose and modify and print things in. So, generation of an electronic greeting card is sort of known. All I see this thing is providing in terms of over the prior art would be like computer art would be they give you forms. They give you electronic forms that you can select the form and select the fill-in information, and then it's printed on the spot so it's an integrated unit for printing out a form. I don't think that's particularly relevant to trading cards. I think you're going to be alone in that.

Before we get to the 2 big Lemke files, I'll also go through these other ones very quickly. Rudnick, Patent No. 4,890,229, Electronic Baseball Card. It's basically a calculator that stores sports information. It's irrelevant.

Cannon, Patent No. 5,056,029. Method and Apparatus for Manufacturing and Vending Social Expression Cards. This is very similar to the Buckley case, point-of-sale card manufacturing and vending.

TH Seems extremely similar to me. I was curious as to why those 2 were so similar.

25 MG Well, let's see whether one was cited in the other. Here's Buckley. Yeah, it seems like the same thing. Okay, so this is Buckley and this is Cannon. Cannon is the later one. So, Cannon might cite Buckley,

5 but it doesn't. They don't seem to cite the same prior art -- some of
the same prior art is cited. You understand in the patent that when
the patent examiner does a search, he looks at certain patents, and
those are listed on the front page of the patent. Some of them are
10 similar but what's interesting is that because the filing dates -- the
filing dates are almost a year apart, but the issue dates are very
close, just a few months apart. Most likely what happened is that
these were both pending in the Patent Office at the same time, they
had different examiners. And so one examiner examined one, one
15 examined the other, and they both came out, and they probably
interfere with each other. So, and as I said, the examiner's did cite
some of the same cases like Rosen..... was the same. I note that in the
Cannon case, the Lemke patent was also cited. That's the '203 patent.
So, whatever Cannon is doing is something in addition to what Lemke
20 is doing -- something different. But Cannon and Buckley are very,
very similar. And I haven't studied the claims in any detail, because
they're not really relevant to what you're doing, I believe. That can
be done later if you want.

25 We have Abel Cassis, Abe Cassis. Gameboard Scale Model Game.
5,356,151. It's just a gameboard. It's totally irrelevant to what
you're doing.

Ren, Cryptographic Guessing Game, 5,338,043. This may be relevant
25 in the sense that it would apply to a particular application of a
trading card. This is a particular type of game where you put certain
-- you have cypertext and you have indicia. And the cypertext is an

encrypted message, and so you have hidden information, and it's in a puzzle form which one of several players can play. So you form a pair of words that perform a guess pair. So, the...

5 TH (asked a question)

MG Yes, it's a software. It's a puzzle game. So, the way this might be relevant is this might be a particular type of game that might be played using your trading cards. Because you do have -- you could use cards. Sismatical types of messages and cyprement schemes, development solution and conforming means are disclosed. So, some of these things could be like a trading card. Let me look at the claim real quick. Okay, so the claim, method of making the invention, first of all, column 32, obtain the message, generate a cypher, and cypher the message to create a cypertext, print or display the puzzle, using the cypher print a conforming device or act as an interactive conforming device during solving. Some of these things, I think, are quite similar to what you might do with your trading cards. And then the claim is just this very, very long claim which would mean that it's a very narrow invention, most likely. But the claim involves you provide a game having cypertext and plain text so that would be the hidden message and the clue, for example. Display the cypertext and display the developing solution, but keep the plain text hidden, guess a playing character, recording the playing character... it's a very specific game. I think we've spent enough time on it. It's not what you're doing, but it could be used with what you're doing.

Finally, we before we get to Lemke, Davis et al., Computer Image
Production and System Utilizing First and Second Networks for
Separately Transferring Control Information and Digital Image Data,
5,091,849. I don't find this to have any relevance at all with what
5 you're doing. It's simply a computer imaging system, largely to
produce animation. So, put that aside.

Now, let's talk about the Lemke... Lemke has two cases. He filed a
patent application, and the patent examiner said that there are two
10 inventions. One invention is sending information over a network,
and the other one is the greeting card. So, in both cases, they were
rejected initially and they were both allowed. The more relevant
case -- let me just find out what that one is -- The more relevant
case is the greeting card. Let me see which one of the two that is.
15 Okay, that's the Lemke Computer Card, formerly 951,203. Claim 1 is
what's instructive here. It's a greeting card created by and readable
by a digital computer machine. So it requires a magnetic medium
means that has to be a magnetic card or magnetic disk, or something
magnetic. But it requires a magnetic medium means for storing a
20 plurality of messages and a plurality of audio selections. So the
messages would be a visual message that would be displayed, the
audio would be audio, and a control file that could configure the
computer machine. Now, the significance of this is that the card has
to have, or the media has to have a audio message linked to a visual
25 message. Because when they prosecuted the patent, and argued with
the Patent Office, one basis for distinguishing over the prior art was
this linkage. So, there has to be this audio and visual linkage

multimedia and the card has to contain a control file that will grab control of the computer and boot it up and line. So, that's like a run time. So that's the card. And then it has to have a computer with an operating system, a display and audio means, and the means to read the magnetic media. So it's a standard computer. And the control file configured to be read by the original machine... That's basically it. And then synchronously, reading the audio selection and the output of the audio selection through the audio generation synchronously with the output of the preselected message. So that's key to this then, is audio and video linked on a run time on a magnetic media and a computer system. That's the Lemke, the main one.

TH When you summarized it there, you didn't say anything about the subject or the content of the greeting card.

MG Well, it is a greeting card.

TH How much is his patent for the audio and video linked message on magnetic media in general? Or only when used in the form of a greeting card?

MG ... when used in the form of a greeting card. He actually discusses what he means by a greeting card. Let me just quickly find that section. Because when they file a patent application, the patent office does a search and then as a result, they make a rejection or they make an acceptance of the claims, and then they make

recommendations for changes in the claims. In this case, they went to the Board of Appeals. They basically -- write to the Board of Appeals and when they filed their appeal brief, at that point, the Examiner decided not to fight it, because the Examiner's don't like to get reversed. So he caved in and allowed the case. But during the course of fighting with the patentee, or the patent applicant, the Examiner made certain arguments about this prior art. And in response, they talked about what their message would be. So let me just read a couple of quotes to you, and I'll give you pointers to where they are.

So, we're looking at the response dated January 10, 1989. This is response prepared by John Lemke. It is either the inventor's son, father or brother. John D. is the inventor, and John E. is the patent lawyer.

TH A family operation.

MG Indeed. In the remarks, basically it says, "it's a magnetic media containing a user preselected message, a user preselected audio, and a control file." So this is, again, what we've talked about. Now, let's look for the description. "Upon receipt, the user removes the physical device in the form of magnetic media and inserts it into a digital computing machine that's configured by the control file. When used by the computer under direction of the control file to create the greeting card as synchronized audio and visual output using peripheral devices." Okay, that's what he says.

TH ...as far as he goes in terms of a greeting card?

MG In that particular round. He got more rejections. And so he's going
5 to make more statements. And now there's a response dated July 14,
1989. It's a later response, and he apologizes because he didn't
understand the prior art. He thought the prior art had a later filing
date. He was wrong, so he apologizes. And he characterizes the prior
art. I'm just going to go to where he talks about the greeting cards
10 here. This is on page 3. "Applicant's invention is very different from
'180 which is the prior art. Uses digital data as

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understand the prior art. He thought the prior art had a later filing
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art. I'm just going to go to where he talks about the greeting cards
10 here. This is on page 3. "Applicant's invention is very different from
'180 which is the prior art. Uses digital data as operated upon by the
CPU to generated audio signals to an output device. They do not rely
on prerecorded audio data. Applicant's invention actually creates the
audio data in real time each time it is exercised.

15 TH I remember this in reading the original patent. See, I haven't seen
the... what's this called again?

MG This is the file history or the prosecution history?

20 TH Okay, I read the patent, and I noticed that he did seem fixated on
this idea of generating ... I don't know if you remember, but early he
said tone generators. That was about as sophisticated as the ...

25 MG He repeats it in the patent, too.

TH Which is obsolete now, although you and I talked about that --
information or technology

5 MG Okay, so again he's contrasting that. Now, we do on to the next office
action. At this point, he is issued and allowed. So, it appears that the
description of what he meant by greeting card is actually in the other
application. So that's this one, the '203. Let's look at the '727. The
'203 was basically a divisional, and the case 4,965,727 was the
parent case. Now, what we mean by a divisional is that when he
10 filed this parent case, the examiner found that there were two
separate inventions and split one off and said "we're only going to let
you get one. If you want to file the other one, then you got to go
ahead..." And so, let's look through this one now. Again, this is the
'727 case. And find that language where he talks about it. All right.
15 So here's where he's talking about why they should not be splitting
the two cases. In the office action, the examiner's made a
requirement for a restriction. Drawn to a system for processing and
supervising the plurality of composite intercourse and social
communications selections of a product, and another group drawn to
20 a computer greeting card, a process. So, basically he sees that these
are separate. Now they're going to argue



Oompala
INCORPORATED

109 West Street
Sausalito, California 94965

415 332 4752
Fax 415 332 7207

Date: February 23, 1995
To: Michael Glenn
From: Tyler Peppel
Re: an article for you
Number of Pages including this page: 2

Dear Michael:

Attached is an article from Scientific American I thought you might find interesting.

Also, I'm sending you a check today for \$2000 as a payment for the patent application for electronic trading cards. As we discussed, I assume the balance will be due 60-90 days after the application is filed. Please let me know if that is acceptable to you. If not, I'm sure we can work something out.

Best regards,

Tyler Peppel

reactions. University of Nebraska scientists found that blood serum from six of eight individuals allergic to Brazil nuts produced antibodies to the soybeans, suggesting the possibility of an adverse reaction. The company is now seeking another means of enhancing methionine levels.

Despite an incident or two, U.S. agri-

cultural biotechnology flourishes. Rifkin would have an easier job if he moved to Stuttgart, Europe has not provided a similar welcome mat for bioengineered crops, even though it does not wish to be left behind in this emerging industry. In December the European Union voted to allow limited testing of BST but opted to continue a ban on commercial

use of the compound through 1999. Europe, too, may lack the American flair for public relations. In the U.S., Calgene has even plied members of Congress with bacon, lettuce and tomato sandwiches—all made with the Flavr Savr. Natural selection in the marketplace depends heavily on recombinant image making.

—Gary Stix

GIF Us a Break

It was all over before the arguments really even began. On December 29, CompuServe announced that it would henceforth charge royalties on the Graphics Interchange Format, or GIF. Electronic yowls of protest surged over computer networks—at least among those not too busy drinking, digesting or otherwise holiday making to notice. The GIF file is the networked world's equivalent of the photographic print. It encodes millions of images on disk drives across the globe. Was the whole on-line community to be forced to scrape together its Christmas money from Santa and turn it over to CompuScrooge?

Not this time. Unisys, which owns the patent whose infringement had forced CompuServe to demand royalties in the first place (don't worry, these complications will be explained shortly), clarified in early January. It wanted royalties only from for-profit developers of software that encoded or decoded GIF files. Unisys had no intention of charging for GIF storage or transmission. It wanted small royalties, about 1 percent of the average selling price. And it would not charge anybody who had developed a program before 1995—that is, before CompuServe's announcement. Yowls dimmed to grumbles, and net arguments drifted back to sex and politics as usual.

Next time, however, things could be different. Although the circumstances of the GIF case were by no means typical, the application of slow-moving patent protection to fast-moving software development carries the risk that someday someone really will decide to hold the networked world to ransom. Certain net-watchers now argue that solving the intellectual-property problems created by software will require a third form of legal protection for ideas—not copyright, not patent, but something different.

The trouble with software patents is that they are sweeping and slow. A patent grants ownership of an idea. Full stop. It doesn't matter if somebody holed up in a cave in Tibet has reinvented your idea from thin air and incense smoke. If it's your idea, they have to pay. But a patent takes between a year and a half to two years to issue. Complicated software patents can take longer. In the U.S. patent applications are kept secret until granted.

But two years is also the life cycle of most software products. The Internet currently quadruples in size every two years (it now encompasses more than three million computers). Some parts of the networked world grow even faster. From 1992 to 1994, for example, the World Wide Web—linking text, pictures, video and sound—grew from hundreds of sites to hundreds of thousands. In 1994 the U.S. Patent and Trademark Office approved about 4,500 software patents. Now imagine what might have happened—what might still happen—if a patent submitted in 1992 covered a key component of the Web.

On the other side of the intellectual-property fence, copyright risks missing the point of software. It was de-

signed to cover the text of a document or the look of an illustration rather than the function of a piece of machinery—or a piece of software. Yet it is precisely function that gives value to software. True, copyright is automatically granted as soon as the item is "published." But given a choice between the overweening market power of a patent and the lightweight speed of copyright, which would you think software developers would choose? (Hint: The U.S. Patent and Trademark Office granted only about half as many software patents in 1993 as it did in 1994.)

Some experts think there is a better way. Pamela Samuelson of the University of Pittsburgh Law School, Jerome H. Reichman of Vanderbilt Law School, Mitchell D. Kapor, founder of Lotus Development, and Randall Davis of the Massachusetts Institute of Technology recommend creating a middle ground for software. Ownership would begin immediately, without the long deliberations required for patents. It would also last for only a few years rather than the 19 years of a patent or the 75 years of a copyright. The interesting question, however, and the one expressly left open for debate by their proposals—published in the December 1994 *Columbia Law Review*—is what precisely the law should give ownership to.

Copyright grants control over the text of a document but not over the ideas expressed therein. Patents cover ideas for making things with a given function. Defining middle ground between idea and expression to fit the middle ground of intellectual property should be no mean feat. Presumably no one could simply copy a piece of software. But what if two researchers come up with the same idea independently? What if only part of the software is copied?

Not easy questions to answer. But they are well worth debating, given the legal carnage that patents could unleash in the software industry. Of course, it is worth remembering that bad laws are not the only reason bad things happen. People can just plain mess up. And while CompuServe's Christmas message certainly highlights the dangers of less than perfect law, the actual facts of the case involve a lot of just plain messing up.

Here are the facts. In 1985 Sperry, which merged with Burroughs to form Unisys, was granted a patent on a method of compressing data called the Lempel Ziv Welch (LZW) algorithm. CompuServe did not seem to notice. In 1987 CompuServe began developing the GIF to store and transmit graphic images based on—you guessed it—the LZW algorithm. Unisys did not seem to notice. From 1987 to 1993 CompuServe blithely encouraged programmers to use the GIF. Many did. In 1994 when Unisys forced CompuServe to pay royalties on LZW for GIF files, everybody would have noticed had the two tried to pass the cost of those royalties on to the network. Fortunately, common sense and humility prevailed, at least this time.

—John Browning

FAX Transmittal

COMPANY: Oompala

FAX NUMBER: 332-7207

ATTENTION: Tyler Peppel

RE: ETC Patent Application

FROM: M.A. Glenn

DATE: 2/28/95

Total Pages (including cover page):

If you do not receive all pages of this transmission, please call 415.851-7138

13

MESSAGE:

Tyler:

The figures for the patent application on your invention are attached.
I'll email the draft application to you later today.

Regards,

THIS MESSAGE IS INTENDED ONLY FOR THE INDIVIDUAL TO WHOM IT IS ADDRESSED AND MAY CONTAIN INFORMATION THAT IS CONFIDENTIAL, PRIVILEGED, OR OTHERWISE EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAW. IF YOU ARE NOT THE INDIVIDUAL TO WHOM THIS MESSAGE IS ADDRESSED YOU ARE ADVISED THAT ANY USE, COPYING, OR DISCLOSURE OF THIS MESSAGE OR THE CONTENTS THEREOF IS WITHOUT PERMISSION AND CONTRARY TO LAW. IF YOU RECEIVE THIS MESSAGE IN ERROR, PLEASE CALL 415.851-7138.

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X-POP3-Rcpt: michael@mail
X-Sender: peppel@batnet.com (Unverified)
Mime-Version: 1.0
Date: Sun, 5 Mar 1995 22:43:10 -0800
To: michael@crl.com
From: peppel@batnet.com (Tyler Peppel)
Subject: The last thing

Dear Michael:

Attached is a revised Format Diagram which includes "Application Programs" and "Pointers to External Data" This revised diagram should replace the existing format diagram and the text which says these items are not shown should be amended accordingly. One other tiny change:the word "shared" under Summary of the Invention (line 25) should not be underlined.

I'm assuming you received my FedEx on Saturday and that you now have everything you need to file the patent. (Have you seen the FedEx package tracking system on the Web at: http://www.fedex.com/cgi-bin/track_it ? It's another fun time-waster on the Web. It reports that my package to you was delivered at 11:03am on Saturday.)

In case we miss each other Monday AM, would you call 415 332 4752 and leave me a message confirming that you have filed the application?

Thanks again for all your help,

Tyler

Attachment converted: Memoire:ETC format block diagram (CWGR/BOBO) (00006ED1)

.....

Tyler Peppel	v 415 332 4752
Oompala, Inc.	f 415 332 7207
109 West Street	AOL: PEPPEL
Sausalito, CA 94965 USA	AppleLink: PEPPEL1

.....

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

5 In re Application of: Peppel

Docket No.: OOMP0001

Serial No. : 08/398,862

Art Unit: 3304

10 Filed: 3/6/95

Examiner: O'Neill, M.

Title: ELECTRONIC TRADING CARD

15 May 9, 2000

Assistant Commissioner for Patents
Washington, DC 20231

20 **DECLARATION UNDER 37 CFR § 1.132 - TYLER PEPPEL**

Sir:

This Declaration is provided in connection with Applicant's response to the Decision On Appeal, dated 3/13/00 for the above-identified patent application.

25 1. My name is Tyler Peppel. I am the inventor of the invention claimed in the subject patent application.

30 2. Claims 1-39 of the above-identified patent application were objected to in the above Office Action under 35 USC § 102(e) for lack of novelty. The reference cited by the Examiner as the basis for this objection was U.S. Patent No. 5,533,124, issued to Smith *et al.* (the "Smith" patent). Smith issued on 2 July 1996 and was filed on 7 December 1994. Smith does not claim the same invention as that claimed in the application.

35 3. The subject patent application was filed on 6 March 1995, less than one year after Smith was filed.

40 4. The invention which is the subject matter of the application was conceived at least as early as 7 September 1994.

5. The Board of Appeals has indicated that the concepts of card scarcity and card authenticity are not disclosed in the evidence that I rely upon to overcome the Smith reference.

5 6. The Examiner's attention is drawn to the document entitled Card Activities (document "BC2"), dated 12/4/94, that was originally provided to the Patent Office in a Declaration that I made under 37 CFR 1.131 on 2 October 1996 (enclosed herewith), where I state: "Card Collecting....5. Next week Tim's friend Jerry gives him a rare Movie Card at school. Tim's friends have been searching for this card for weeks and Jerry is the first to find it." The notion
10 of searching for a rare card clearly conveys the concept of scarcity. A rare card is scarce by definition, otherwise it would not be rare.

7. Further, under "Card Collecting" in document BC2, I teach: "3. He finds the missing card at a local trade card store." A trading card store clearly conveys the concept of authenticity.
15 Cards have value as collectibles because they are authentic.

8. I provide the following definition from Random House Webster's Unabridged Dictionary:

20 **trad/Eing card**, one of a set of small cards, as one depicting professional athletes, either sold separately or included as a premium with packages of bubblegum or the like, collected and traded, esp. by children.

9. By my choice of the term "trading card metaphor" in the original application, scarcity and
25 authenticity are clearly implied as aspects of the invention.

Trading cards have been collected and traded for decades in exchanges that depend on scarcity and authenticity to function. Scarcity creates value and without value nobody would pay or trade for trading cards.

30

Exhibit 1 (attached hereto) shows a page from a web auction site, where collectors gather online to check prices and bid on trading cards. Without the implied features of scarcity and authenticity, such a marketplace for trading cards could not exist, as all cards would have no cost and be always available.

35

Scarcity is an inherent feature of trading card products as evidenced in the "insert ratio" mentioned in this excerpt from a 09/22/99 press release from UpperDeck, a trading card manufacturer.

- 5 ***"Piece of History Football Cards" (13 cards): This outstanding lineup of football card inserts captures pieces of actual game-used footballs thrown and carried by some of the NFL's biggest stars and up-and-coming rookies, including Brett Favre, Steve Young, Jerry Rice and Dan Marino, along with Tim Couch, Ricky William and Cade McNown. Insert ratio: 1:352 packs."***

10

The insert ratio describes the degree of scarcity for this particular card, in this case one card will be inserted in every 352 packs of card manufactured.

15

Authenticity is also a measure of value; analog card makers have employed elaborate anti-counterfeiting measures (similar to those used in printing currency) to help distinguish inauthentic from authentic cards. If authenticity was not an inherent aspect of trading cards, card makers would have no reason to employ these anti-counterfeiting measures such as die-cutting and refractor imaging:

20

"Highlighted in a die-cut all chromium set, superstars such as Mike Modano, Peter Bondra and Brendan Shanahan are players who rack up goal after goal igniting their team throughout the season. Also showcased on Refractor technology, these stars surely fire up their team's offense. The Red Lighters insert rate will be 1:24 packs, with Refractors seeded at 1:72 packs."

25

-Topps press release, December 15, 1998

30

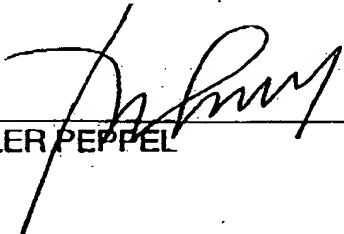
10. Because I have described my invention as using a trading card metaphor, and because it is clear to anyone familiar with trading cards that scarcity and authenticity are inherent features of analog trading cards, it is clearly implied that scarcity and authenticity are features of my invention. Therefore, I was in possession of my invention before the critical date of 7 December 1994.

35

11. I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so

are inherent features of analog trading cards, it is clearly implied that scarcity and authenticity are features of my invention. Therefore, I was in possession of my invention before the critical date of 7 December 1994.

5 11 I hereby declare that all statements made herein of my own knowledge are true
and that all statements made on information and belief are believed to be true; and
further that these statements were made with the knowledge that willful false
statements and the like so made are punishable by fine or imprisonment or both,
under Section 1001 of Title 18 of the United States Code and that such willful false
10 statements may jeopardize the validity of the application or any patent issued thereon.



TYLER POPPEL05.09.00

DATE

Card Activities

DOCUMENT
BC2
12/4/94

1. Jason puts an E-Card "Castle Quest" game into his CD-ROM drive. In Castle Quest, players solve puzzles with increasing levels of difficulty. When each level is solved, the player can print out a card proving they have solved the current level and giving a clue to the next level.
2. Jason has solved four levels of the game and printed the first four clue cards. The clue cards come pre-printed in color along with the game. When Jason feeds them through his printer, his name and the date and time appear on the card. He is now working on level five.
3. Jason finally solves level five and escapes from the tower! He prints out the level six clue card.
4. On the card there is a map of Dark Valley. When Jason feeds the card through his printer a special route appears printed on the valley.
5. After three weeks Jason solves all ten levels of Castle Quest.
6. He now has a set of ten completed Castle Quest cards - each personalized with his name. Only those who have solved Castle Quest have such a set of ten clue cards. Jason is the envy of his friends at school.

Card Trading

1. Julie and Kristin trade their favorite E-cards on floppy disc. They are each trying to make a full set of their favorite cards.

2. They can also trade on-line with kids all over the world. Some cards have phone numbers built in and will dial them on command.

3. Some very special cards come with their own display system, so the "card" is a small plastic case housing software, battery, CPU and LCD display.

4. E-Card files can also be output onto paper cards, traded and used in card games, much like traditional paper trading cards.

Card Collecting

1. Thomas puts an E-Card "Collector's Album" CD into his multimedia player. Each album comes with a unique assortment of "starter cards" for the collection. This album is in the form of a haunted house, where each room requires a specific set of cards to complete the collection.

2. Thomas needs one more card to complete the twelve card Dungeon Set...

3. He finds the missing card at a local trading card store.

4. Completing the Dungeon Set makes Tim eligible for a special award. The prisoner shows Tim the details.

5. Next week Tim's friend Jerry gives him a rare Movie Card at

school. Tim's friends have been searching for this card for weeks and Jerry is the first to find it. (It was hidden in an E-Card game called Castle Quest.)

6. Some electronic albums have movies on them, and the missing cards unlock key scenes from the movie. The person who originally finds the missing movie card in its hiding place can personalize it. That way, their name always appears in the credits of that movie when it is played.

Card Making

1. Emily wants to make a special personal E-Card for her friend Amy. She puts a Card-Maker CD with her favorite characters into her multimedia player.
2. She goes to the Magic Writing Desk where she will assemble and personalize her card. First she chooses a format and setting for her card. She decides Amy's card will be a Game Card.
3. She adds a character from her favorite TV show. The character says "Hello from your best friend!"
4. Emily picks a tarot game from an assortment of small games that will fit on cards.
5. She types a secret message, hidden inside the animated magic heart where Amy will find it.

6. Emily puts the card on a floppy disc and prints a special label for the disc on colorful preformatted sheets that come with the Card Maker program.

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baseball ca all of eBay - includes all regions Results by THUNDERSTONE

Search titles and descriptions (to find more items!) **Search eBay official time 17:21:26 PDT

Completed Items

2692 items found for "baseball cards".
Showing items 1 to 50.

Sort:

Item	Item	Price	Bids	Ends
317123355	1963TOPPS LOT OF 4 BASEBALL CARDS SP [2]	US \$8.00	-	in 1 mins
322625963	350 Gem Mint Baseball cards	US \$2.00	1	in 9 mins
322627988	350 Gem Mint Baseball cards	US \$2.00	1	in 11 mins
319581986	WOW! 1000 BASEBALL CARDS FROM ESTATE SALE NR!	US \$27.51	17	in 3 mins
319583572	baseball cards	US \$3.00	-	in 5 mins
317130152	1981 baseball cards 5x7 panels complete set +	US \$2.24	2	in 7 mins
319588336	(29) 1977 Topps Baseball Cards	US \$4.95	1	in 9 mins
322629620	350 Gem Mint Baseball cards	US \$2.00	1	in 13 mins
319594050	(51) 1974 Topps Baseball Cards	US \$9.95	-	in 14 mins
319594114	Baseball Cards	US \$3.00	-	in 14 mins
322631584	350 Gem Mint Baseball cards	US \$2.25	2	in 15 mins
322633560	350 Gem Mint Baseball cards	US \$2.00	1	in 16 mins
321021425	2000 TOPPS BASEBALL SET (240 CARDS) MINT PIC*	US \$15.50	7	in 16 mins
319599379	(33) Different 1973 Topps Baseball Cards	US \$7.95	-	in 18 mins

Oompala is a small creative multimedia software development company based in San Francisco. We develop consumer-oriented entertainment and educational products for CD-ROM, floppy disc and on-line delivery.

We're looking for a lead software engineer for a major new project.

This person will lead the design and development of a multimedia architecture that allows for the creation, collecting and trading of digital electronic trading cards. Products based on this architecture will support a variety of entertainment and learning activities for kids aged 7-15.

This project will provide an opportunity to design and implement an innovative new multimedia architecture and work with a creative team of artists, writers and designers based in San Francisco. This is a long term project (1-2 years) requiring creative thinkers and designers familiar with MPC and Mac CD-ROM development as well as PC-based telecommunications.

Lead engineer will have direct ground-up responsibility for technical design and development of a system to create electronic trading card products. An ideal lead engineer will take "creative ownership" of the architecture and contribute strongly to design as well as implementation of the system.

Qualified candidates must have at least three years of professional software development experience, including having worked on at least one commercial product as well as experience with Macintosh and Windows multimedia systems, and familiarity with QuickTime, Video for Windows, MacroMedia Director, and/or Apple Media Tool. Familiarity with video game systems such as Sony Playstation is also

E-Card is

a software architecture for trading cards. The E-Card supports:

- card making
- card trading
- card games
- card collecting

A New Comp

- C-Wave is starting a new company to take advantage of the E-Card business opportunity with
- This new company will be incorporated in December 15th, 1994 and will share the responsibility for E-Cards with C-Wave
- Tyler Peppel will head the new company and will be the primary responsibility for E-Cards

E-Cards are

small multimedia software programs. They can contain games, sounds, puzzles and animation. E-Cards can be stored on:

- Floppy discs
- Online servers
- CD-ROM
- PCMCIA cards

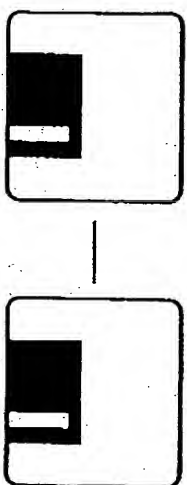
Document CT
9.7.94

E-Cards cor.

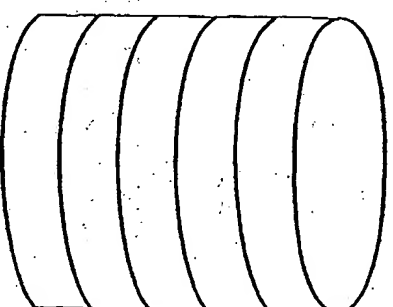
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- natur
- games
- etc.

E-Cards 1



to each other to

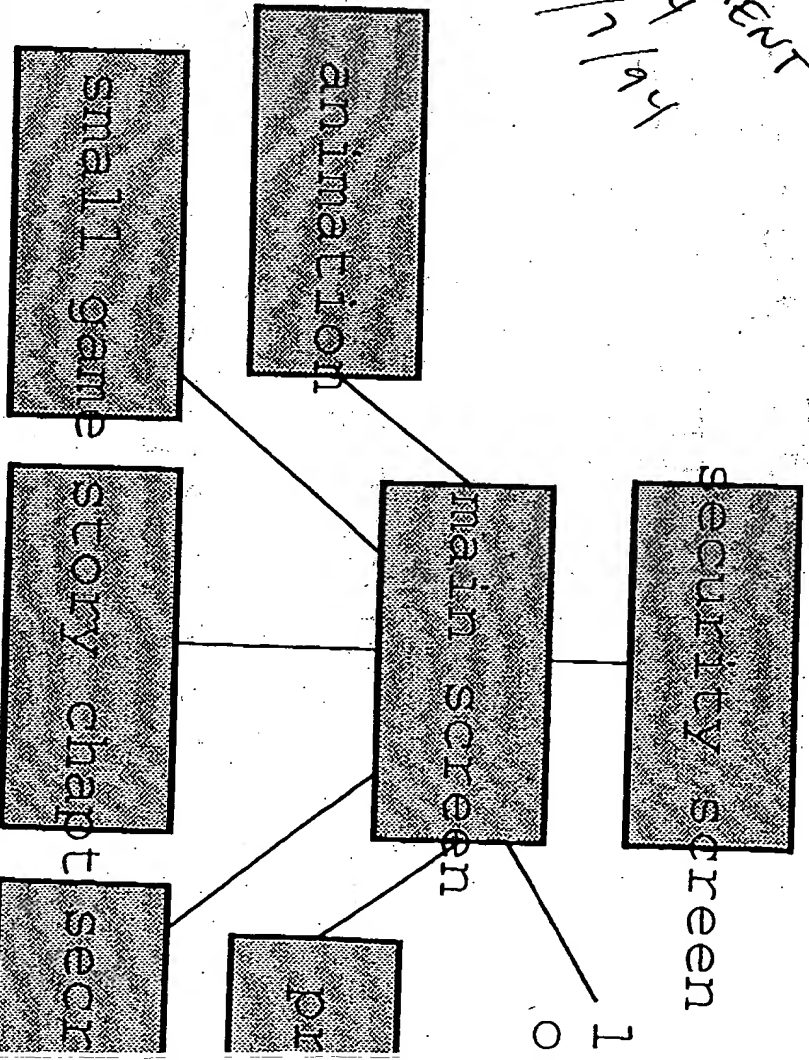


to an online

Inside an E

(example)

Document
C4
9/7/94



E-Card Security

E-Card provides 4 options for security:

- DOCUMENT
C8
a/n/a4
- 0 - no security
 - 1 - password protection
 - 2 - hidden software key
 - 3 - CD-ROM-based software

THE WORLD OF E-CARD

DOCUMENT
C-8
9/1/94

E-Card License

- We license the architecture to companies that wish to provide E-Card products

- We also provide development services to E-Card licensees

November 9, 1994

To: Naomi Tobita, Bandai cc: Hikaru Sasahara, IMA
From: Tyler Peppel
Re: E-Card (Electronic Trading Card) Project

Note: We made up this new code name (E-Card) to describe any product which uses the "Electronic Trading Card" concept discussed at our meeting last Monday. We propose that it become a confidential code name between our companies.)

We are very pleased to submit this preliminary business proposal to Bandai for the E-Card project. We have written this proposal with the hope that we will become business partners in the following efforts:

- developing the E-Card engine
- developing E-Card products using Bandai content and characters
- licensing the E-Card engine to non-competing companies and providing development services to those companies

The goal of our partnership is to make E-Card a worldwide standard for creative electronic communication between children, families and business people.

Longer term, E-Card is a step toward personal electronic communications on-line.

We have three versions of the proposal: A, B, and C. All versions assume the production schedule we discussed at our meeting Monday November 7. Dollar estimates do not include withholding tax. These proposals are preliminary and all terms are open to discussion.

Version A
(Non-exclusive relationship)

Proposal "A" assumptions:

- C-Wave grants Bandai a non-exclusive license to the E-Card engine for a per unit royalty
- Bandai pays C-Wave for custom enhancements to the E-Card engine and for integration of Bandai content

Sailor Moon development cost: \$380K

2nd product with same functionality, different content: \$270K

3rd product with same functionality, different content: \$240K

Per unit royalty retail: \$5

Per unit royalty bundled: \$3

Version B

(Exclusive Partnership for Japan)

Proposal "B" assumptions:

- Bandai and C-Wave have an exclusive partnership for E-Card in Japan
- Bandai and C-Wave share the development cost of a Japanese version of the E-Card engine
- Bandai and C-Wave share in Japanese E-Card engine revenues
- Bandai approves all third-party E-Card licenses in Japan

Sailor Moon development cost: \$420K

2nd product with same functionality, different content: \$270K

3rd product with same functionality, different content: \$240K

Per unit royalty retail: \$5

Per unit royalty bundled: \$3

Fee for Japan-only exclusivity on the concept: \$200K

Version C

(Exclusive Worldwide Partnership)

Proposal "C" assumptions:

- Bandai and C-Wave have an exclusive worldwide partnership for E-Card. C-Wave does not discuss the E-Card concept with other companies.

- Bandai and C-Wave share the development cost of the E-Card engine

- Bandai and C-Wave share in E-Card revenues worldwide

- Bandai approves all third-party E-Card licenses

Sailor Moon development cost: \$420

2nd product with same functionality, different content: \$270

3rd product with same functionality, different content: \$240

Per unit royalty retail: \$4

Per unit royalty bundled: \$2.50

Fee for worldwide exclusivity on the concept: \$500K



UNITED STATES DEPARTMENT OF COMMERCE
Patent and Trademark Office

NOTICE OF ALLOWANCE AND ISSUE FEE DUE

022862
GLENN PATENT GROUP
3475 EDISON WAY
SUITE L
MENLO PARK CA 94025

04121017

APPLICATION NO.	FILING DATE	TOTAL CLAIMS	EXAMINER AND GROUP ART UNIT	DATE MAILED
08/398,862	03/06/95	139	OPP-JL, M	3713 10/17/00
First Named Applicant	PEPPEL	AS INC 164101 Term ext. +	n Days.	

TITLE OF INVENTION: ECONOMIC TRAINING CARD

ATTY'S DOCKET NO.	CLASS-SUBCLASS	BATCH NO.	APPLN. TYPE	SMALL ENTITY	FEE DUE	DATE DUE
	053-001,000		UTILITY	YES	\$620.00	01/17/01

THE APPLICATION IDENTIFIED ABOVE HAS BEEN EXAMINED AND IS ALLOWED FOR ISSUANCE AS A PATENT. PROSECUTION ON THE MERITS IS CLOSED.

THE ISSUE FEE MUST BE PAID WITHIN THREE MONTHS FROM THE MAILING DATE OF THIS NOTICE OR THIS APPLICATION SHALL BE REGARDED AS ABANDONED. THIS STATUTORY PERIOD CANNOT BE EXTENDED.

HOW TO RESPOND TO THIS NOTICE:

I. Review the SMALL ENTITY status shown above.

If the SMALL ENTITY is shown as YES, verify your current SMALL ENTITY status:

- A. If the status is changed, pay twice the amount of the FEE DUE shown above and notify the Patent and Trademark Office of the change in status, or
- B. If the status is the same, pay the FEE DUE shown above.

If the SMALL ENTITY is shown as NO:

- A. Pay FEE DUE shown above, or
- B. File verified statement of Small Entity Status before, or with, payment of 1/2 the FEE DUE shown above.

II. Part B-Issue Fee Transmittal should be completed and returned to the Patent and Trademark Office (PTO) with your ISSUE FEE. Even if the ISSUE FEE has already been paid by charge to deposit account, Part B Issue Fee Transmittal should be completed and returned. If you are charging the ISSUE FEE to your deposit account, section "4b" of Part B-Issue Fee Transmittal should be completed and an extra copy of the form should be submitted.

III. All communications regarding this application must give application number and batch number. Please direct all communications prior to issuance to Box ISSUE FEE unless advised to the contrary.

IMPORTANT REMINDER: Utility patents issuing on applications filed on or after Dec. 12, 1980 may require payment of maintenance fees. It is patentee's responsibility to ensure timely payment of maintenance fees when due.

PATENT AND TRADEMARK OFFICE COPY



Notice of Allowability

Application No.	Applicant(s)	
08/398,862	PEPPEL, TYLER	
Examiner	Art Unit	
Michael O'Neill	3713	

— The MAILING DATE of this communication appears on the cover sheet with the correspondence address—
All claims being allowable, PROSECUTION ON THE MERITS IS (OR REMAINS) CLOSED in this application. If not included herewith (or previously mailed), a Notice of Allowance and Issue Fee Due or other appropriate communication will be mailed in due course.

1. ☒ This communication is responsive to 5-15-00.
2. ☒ The allowed claim(s) is/are 1-39.
3. ☐ The drawings filed on _____ are acceptable.
4. ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d).
 - a) ☐ All b) ☐ Some* c) ☐ None of the CERTIFIED copies of the priority documents have been
 1. ☐ received.
 2. ☐ received in Application No. (Series Code / Serial Number) _____.
 3. ☐ received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

* Certified copies not received: _____

5. ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. & 119(e).

A SHORTENED STATUTORY PERIOD FOR REPLY to comply with the requirements noted below is set to EXPIRE THREE MONTHS FROM THE "DATE MAILED" of this Office Action. Failure to timely comply will result in ABANDONMENT of this application. Extensions of time may be available under the provisions of 37 CFR 1.136(a).

6. ☐ Note the attached EXAMINER'S AMENDMENT or NOTICE OF INFORMAL APPLICATION (PTO-152) which gives reason(s) why the oath or declaration is deficient. A SUBSTITUTE OATH OR DECLARATION IS REQUIRED.
7. ☒ Applicant MUST submit NEW FORMAL DRAWINGS
 - (a) ☐ because the originally filed drawings were declared by applicant to be informal.
 - (b) ☒ including changes required by the Notice of Draftsperson's Patent Drawing Review (PTO-948) attached
 - 1) ☐ hereto or 2) ☒ to Paper No. 4.
 - (c) ☐ including changes required by the proposed drawing correction filed _____, which has been approved by the examiner.
 - (d) ☐ including changes required by the attached Examiner's Amendment / Comment.

Identifying indicia such as the application number (see 37 CFR 1.84(c)) should be written on the reverse side of the drawings. The drawings should be filed as a separate paper with a transmittal letter addressed to the Official Draftsperson.

8. ☐ Note the attached Examiner's comment regarding REQUIREMENT FOR THE DEPOSIT OF BIOLOGICAL MATERIAL.

Any reply to this letter should include, in the upper right hand corner, the APPLICATION NUMBER (SERIES CODE / SERIAL NUMBER). If applicant has received a Notice of Allowance and Issue Fee Due, the ISSUE BATCH NUMBER and DATE of the NOTICE OF ALLOWANCE should also be included.

Attachment(s)

- | | |
|--|---|
| <input type="checkbox"/> Notice of References Cited (PTO-892) | <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | <input type="checkbox"/> Interview Summary (PTO-413), Paper No. _____ |
| <input type="checkbox"/> Information Disclosure Statements (PTO-1449), Paper No. _____ | <input type="checkbox"/> Examiner's Amendment/Comment |
| <input type="checkbox"/> Examiner's Comment Regarding Requirement for Deposit of Biological Material | <input checked="" type="checkbox"/> Examiner's Statement of Reasons for Allowance |
| | <input type="checkbox"/> Other |

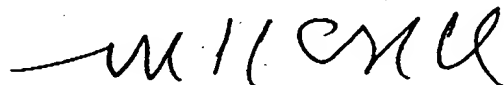
Art Unit: 3713

REASONS FOR ALLOWANCE

The following is an examiner's statement of reasons for allowance:

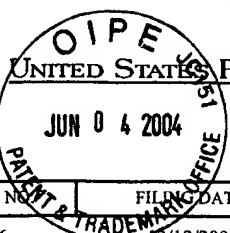
Based on the Board's decision and the Appellant's amendment and declaration in response thereto this application appears to be allowable over the prior art of record.

Any comments considered necessary by applicant must be submitted no later than the payment of the issue fee and, to avoid processing delays, should preferably accompany the issue fee. Such submissions should be clearly labeled "Comments on Statement of Reasons for Allowance."



**MICHAEL O'NEILL
PRIMARY EXAMINER**





UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER OF PATENTS AND TRADEMARKS
Washington, D.C. 20231
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/735,586	12/12/2000	Tyler Poppel	OOMP0001C	7217

22862 7590 08/28/2002

GLENN PATENT GROUP
3475 EDISON WAY
SUITE L
MENLO PARK, CA 94025

EXAMINER

LANIER, BENJAMIN E

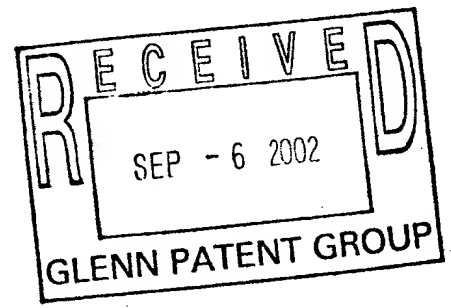
ART UNIT	PAPER NUMBER
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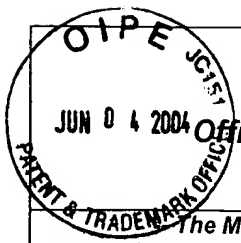
2132

DATE MAILED: 08/28/2002

Please find below and/or attached an Office communication concerning this application or proceeding.

U.S.: ☒ GPG FOREIGN: ☐
DOCKETED: 9/9/02 BY: EH
ACTION: Response Due
DUE DATE: 7/11/28/02
EXT: 1ST 12/28 2ND 1/28 3RD 2/28/03
DOCKET# OOMP0001C ATTNY: _____





Office Action Summary

Application No.

09/735,586

Applicant(s)

PEPPEL, TYLER

Examiner

Benjamin E Lanier

Art Unit

2132

The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 12 December 2000
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-25 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-25 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

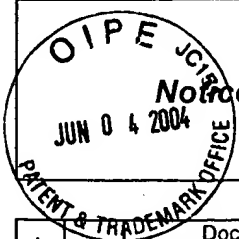
- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 12 December 2000 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s). _____
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) _____ 6) ☐ Other:



Application/Control No.

09/735,586

Applicant(s)/Patent Under
Reexamination
PEPPEL, TYLER

Examiner

Benjamin E Lanier

Art Unit

2132

Page 1 of 1

U.S. PATENT DOCUMENTS

*		Document Number Country Code-Number-Kind Code	Date MM-YYYY	Name	Classification
	A	US-5,533,124	07-1996	Smith et al.	700/231
	B	US-5,757,907	05-1998	Cooper et al.	380/277
	C	US-5,063,507	11-1991	Lindsey et al.	235/375
	D	US-5,592,537	01-1997	Moen, Arthur J.	379/114.11
	E	US-4,970,666	11-1990	Welsh et al.	345/423
	F	US-			
	G	US-			
	H	US-			
	I	US-			
	J	US-			
	K	US-			
	L	US-			
	M	US-			

FOREIGN PATENT DOCUMENTS

*		Document Number Country Code-Number-Kind Code	Date MM-YYYY	Country	Name	Classification
	N					
	O					
	P					
	Q					
	R					
	S					
	T					

NON-PATENT DOCUMENTS

*		Include as applicable: Author, Title Date, Publisher, Edition or Volume, Pertinent Pages)
	U	
	V	
	W	
	X	

*A copy of this reference is not being furnished with this Office action. (See MPEP § 707.05(a).)
Dates in MM-YYYY format are publication dates. Classifications may be US or foreign.

Art Unit: 2132



DETAILED ACTION

Claim Rejections - 35 USC § 102

1. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

2. The changes made to 35 U.S.C. 102(e) by the American Inventors Protection Act of 1999 (AIPA) do not apply to the examination of this application as the application being examined was not (1) filed on or after November 29, 2000, or (2) voluntarily published under 35 U.S.C. 122(b). Therefore, this application is examined under 35 U.S.C. 102(e) prior to the amendment by the AIPA (pre-AIPA 35 U.S.C. 102(e)).

3. Claims 1-7, 9, 10, 13-17, 19, 20, 22, and 25 are rejected under 35 U.S.C. 102(e) as being anticipated by Smith, U.S. Patent No. 5,533,124. Referring to claims 1, 2, 5, 6, 9, 13, 14, 15, 19 and 25, Smith discloses executable program code under the control of a processor/controller (computer code segment embodied in tangible medium) (Col. 5, lines 31-33), digital data (digital content) (Col. 5, line 51), software that causes trading card data that has been stored to be cleared or deleted (supports content scarcity and content authenticity) (Col. 3, lines 24-34), a copy protection scheme using encryption (lock and key mechanism) (Col. 2, lines 31-44), data for producing graphics, written text, sound, and video (graphic identification code and multimedia) (Col. 2, lines 13-17), interactive areas used to provide different graphics and multimedia (Col. 3,

Art Unit: 2132

lines 13-15), and a PC (Col. 5, line 12), trading card software (Col. 5, line 27), input devices (Col. 5, line 27), and a display (Col. 5, line 30).

Referring to claims 3 and 16, Smith discloses a system comprising RAM (Col. 2, line 52), hard disk (Col. 9, line 5), or other disk drive (Col. 8, line 64).

Referring to claims 4 and 17, Smith discloses a copy protection scheme where the trading card data will be deleted after quitting the program (Col. 9, lines 19-22).

Referring to claim 10, Smith discloses data that could include any sports player as well as any other individual or character that has become sufficiently famous (Col. 9, lines 23-26).

Referring to claim 22, Smith discloses data that is intended to be exchanged between users onto removable media (Col. 5, lines 54-59).

Referring to claims 7 and 20, Smith discloses individual data that is associated with a certain player or character that can be packaged together (Col. 2, lines 10-13).

Claim Rejections - 35 USC § 103

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Claims 8, 18 and 21 are rejected under 35 U.S.C. 103(a) as being unpatentable over Smith, U.S. Patent No. 5,533,124, in view of Cooper, U.S. Patent No. 5,757,907. Referring to claims 8, 18 and 21, Smith discloses executable program code under the control of a processor/controller (computer code segment embodied in tangible medium) (Col. 5, lines 31-33), digital data (digital content) (Col. 5, line 51), software that causes trading card data that has

Art Unit: 2132

been stored to be cleared or deleted (supports content scarcity and content authenticity) (Col. 3, lines 24-34), a copy protection scheme using encryption (lock and key mechanism) (Col. 2, lines 31-44), data for producing graphics, written text, sound, and video (graphic identification code and multimedia) (Col. 2, lines 13-17), interactive areas used to provide different graphics and multimedia (Col. 3, lines 13-15), and a PC (Col. 5, line 12), trading card software (Col. 5, line 27), input devices (Col. 5, line 27), and a display (Col. 5, line 30). Smith does not disclose executable program code that has a trial mode or trial number of sessions. Cooper discloses program code that has a trial mode defined by either a timer, or a counter (Col. 8, lines 38-45). It would have been obvious to one of ordinary skill in the art at the time the invention was made to include a time trial on the executable program code of Smith in order to reduce unnecessary risks of piracy or unauthorized utilization beyond the trial interval as taught in Cooper (Col. 2, lines 26-31).

6: Claims 11 and 12 are rejected under 35 U.S.C. 103(a) as being unpatentable over Smith, U.S. Patent No. 5,533,124, in view of Welsh, U.S. Patent No. 4,970,666. Smith discloses executable program code under the control of a processor/controller (computer code segment embodied in tangible medium) (Col. 5, lines 31-33), digital data (digital content) (Col. 5, line 51), software that causes trading card data that has been stored to be cleared or deleted (supports content scarcity and content authenticity) (Col. 3, lines 24-34), a copy protection scheme using encryption (lock and key mechanism) (Col. 2, lines 31-44), data for producing graphics, written text, sound, and video (graphic identification code and multimedia) (Col. 2, lines 13-17), interactive areas used to provide different graphics and multimedia (Col. 3, lines 13-15), and a PC (Col. 5, line 12), trading card software (Col. 5, line 27), input devices (Col. 5, line 27), and a

Art Unit: 2132

display (Col. 5, line 30). Smith does not disclose a digital content library or album of computer code. Welsh discloses an image library containing a collection of images (Col. 3, lines 6-8). It would have been obvious to one of ordinary skill in the art at the time the invention was made to include the image library in the executable code system of Smith because the library would enable the user to select additional image elements from the image library as taught in Welsh (Col. 3, lines 6-19).

7. Claim 23 is rejected under 35 U.S.C. 103(a) as being unpatentable over Smith, U.S. Patent No. 5,533,124, in view of Lindsey, U.S. Patent No. 5,063,507. Referring to claim 23, Smith discloses executable program code under the control of a processor/controller (computer code segment embodied in tangible medium) (Col. 5, lines 31-33), digital data (digital content) (Col. 5, line 51), software that causes trading card data that has been stored to be cleared or deleted (supports content scarcity and content authenticity) (Col. 3, lines 24-34), a copy protection scheme using encryption (lock and key mechanism) (Col. 2, lines 31-44), data for producing graphics, written text, sound, and video (graphic identification code and multimedia) (Col. 2, lines 13-17), interactive areas used to provide different graphics and multimedia (Col. 3, lines 13-15), and a PC (Col. 5, line 12), trading card software (Col. 5, line 27), input devices (Col. 5, line 27), and a display (Col. 5, line 30). Smith does not disclose exchanging of computer code segments online. Lindsey discloses a terminal that performs online transactions of information (Col. 9, lines 16-28). It would have been obvious to one of ordinary skill at the time the invention was made to enable the system of Smith to exchange computer code over the Internet in order to increase the speed of the overall trading and acquisition process as taught in Lindsey (Col. 2, lines 30-37).

Art Unit: 2132

8. Claim 24 is rejected under 35 U.S.C. 103(a) as being unpatentable over Smith, U.S. Patent No. 5,533,124, in view of Moen, U.S. Patent No. 5,592,537. Referring to claim 24, Smith discloses executable program code under the control of a processor/controller (computer code segment embodied in tangible medium) (Col. 5, lines 31-33), digital data (digital content) (Col. 5, line 51), software that causes trading card data that has been stored to be cleared or deleted (supports content scarcity and content authenticity) (Col. 3, lines 24-34), a copy protection scheme using encryption (lock and key mechanism) (Col. 2, lines 31-44), data for producing graphics, written text, sound, and video (graphic identification code and multimedia) (Col. 2, lines 13-17), interactive areas used to provide different graphics and multimedia (Col. 3, lines 13-15), and a PC (Col. 5, line 12), trading card software (Col. 5, line 27), input devices (Col. 5, line 27), and a display (Col. 5, line 30). Smith does not disclose phone numbers within the computer code. Moen discloses a telecommunication messaging service with built in phone numbers to provide quick communication (Col. 3, lines 41-60). It would have been obvious to one of ordinary skill in the art at the time the invention was made to include phone numbers into the program code of Smith in order to permit a phone messaging by a user to a phone number included within the program code as taught in Moen (Col. 3, lines 41-60).

9. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Benjamin E Lanier whose telephone number is (703)-305-7684. The examiner can normally be reached on M-F from 8:00am to 4:30pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Gilberto Barron, can be reached on (703)-305-1830. The fax phone number for the

Application/Control Number: 09/735,586

Page 7

Art Unit: 2132

organization where this application or proceeding is assigned is (703)-746-7239, after final (703)-746-7238, or non-official/draft (703)-746-7240.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-305-3900.

Matthew B. Smithers
Matthew Smithers
Art Unit 2132
Primary Examiner



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

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In re Application of: Peppel et al.

Serial Number: 09/735,586

Filed: 12/12/00

Docket No.: OOMP0001C

Group Art Unit: 2132

Examiner: B. Lanierπ

10

Title: Electronic Trading Card

15 5 May 2003

Commissioner of Patents and Trademarks

Washington, DC 20231

20

RESPONSE

25 Sir:

This Response is provided to the Office Action dated 3 February 2003.

30 1. Initially, Applicant extends thanks and appreciation to the Examiner, Mr. Lanier, and to Supervisory Patent Examiner, Mr. Barron, for their assistance and counsel during interview held 31 March 2003.

In connection with the interview, Applicant notes that the Examiner indicated a proper
35 response would show the connection from the claim language, to the Specification, to the 1.131 declaration.

The Interview Summary indicates that the Examiner was of the opinion that the 1.131 declaration may not support the specific embodiments of Claim 4, "which the Smith reference discloses" to overcome the rejection by preventing a *prima facie* case of the effective date that the Applicant is asserting.

Applicant observes that during the interview there was some disagreement as to whether an effective 1.131 declaration overcoming a cited reference in connection with an independent base claim would be sufficient in connection with claims that were dependant thereon. It was and remains Applicant's position that any declaration under 1.131 that is effective to swear behind a cited reference in connection with the base claims of an application disposes of that reference for all claims. That is, if the subject matter of a base claim is novel and an unobvious, for example because a cited reference has been removed pursuant to a 1.131 declaration, then a narrower claim, that is a dependent claim, cannot lack novelty or be obvious by definition. Simply, the subject matter of the parent claim being patentable, any narrowing limitations added to that subject matter would as well be patentable.

In terms of overcoming a rejection by use of a 1.131 declaration to swear behind a cited reference, it is not necessary that the Applicant show conception and diligent reduction to practice for the dependent claims. Rather, the Applicant only need show that the subject matter of the base claims was conceived and that diligent reduction to practice was applied to swear behind the reference. In support of this position, the Examiner is directed to 37 CFR § 1.131(a) which is concerned with "when any claim of an application... is rejected..." (see also MPEP 715). Should the Examiner deem Applicant's submission pursuant to 37 CFR § 1.131 sufficient overcome the rejection with regard to a base claim, then that claim is allowable and by definition any claim depending therefrom would also be allowable.

2. In connection with the foregoing discussion, Applicant notes that Claims 1-7, 9, 10, 13-17, 19, 20, 22, 22-35, and 37 stand rejected under 35 U.S.C. §102 (e) as being

anticipated by Smith. In Applicant's response of 14 November 2002, the Examiner was directed to the various exhibits contained in Applicant's submission under 37 CFR §1.131, which was made pursuant to the parent case from which this case is derived (U.S. patent number 6,200,216).

5

The dispositive issue here is identified by the Examiner in the Interview Summary discussed above, and concerns whether there is sufficient evidence in the 37 CFR §1.131 declaration in connection with the term "rare card" in showing Applicant's possession of the concept of "content scarcity as a hidden portion of an electronic card or time limit on the availability of an electronic card," as set forth in the Office Action (page 2, the Examiner indicated that "evidence is needed to support Applicant's disclosure").

10 During the course of the interview Applicant directed the Examiner to such evidence, in particular tab E from paper 5, as noted by the Examiner in the Interview Summary. On page 6 of the document at tab E (Response Based on Decision on Appeal), Applicant points out support for the notions of card scarcity and card authenticity. This section of tab E was discussed with the Examiner.

15 One concern mentioned by the Examiner during the interview is that the documents relied upon by Applicant in the 1.131 declaration referred to a "rare" movie card. Applicant notes that a synonym for the word "rare" is the word "scarce." (source: Webster's revised unabridged dictionary, copyright 1996, 1998 Micra, Inc.). Thus, the notion of Tim's friend Gerry giving him a "rare" movie card at school for which Tim's friends "have been searching... for weeks" supports the notion of scarcity. Applicant is of the opinion that the connection from the claim language "scarcity" to the declaration "rare" is sufficient to provide support for Applicant's swearing behind the cited reference.

20 Applicant appreciates that the Examiner also was concerned that the Specification may not provide a proper link from the 1.131 declaration to the claim language. Applicant notes that the application as filed must be taken as a whole and that the claims

submitted with the application are considered part of the disclosure. As such, the parent application was submitted in its original form with the notions of scarcity and authenticity.

- 5 Applicant also points the Examiner to the Specification to show additional support. Thus, the Examiner should refer to the following:

10 The trading card format is embodied in all components of the electronic trading card system. These components are designed to generate and accept a shared proprietary electronic trading card format, so that, for example, a card created and a card – making application can be recognized by an electronic creating card album. The card format is also important because it supports the concepts of scarcity and authenticity (essential to card collecting and trading) within a disassociated computer code segment. (page 5, lines 11-18; emphasis added)

15 And:

20 The card format is also important because it supports the concepts of scarcity and authenticity (essential to card collecting and trading) within a disassociated computer code segment. (page 8, lines 1-4).

25 For purposes of further defining card scarcity in connection with the Specification, it should be appreciated that card scarcity is a function of information contained within an electronic trading card shown in Figure 1. For example, utility programs include such items as password protection. However, scarcity is also provided in other ways. For example a card may include a game or puzzle (see 39 on figure 1). If the user solves the puzzle, the program within the card makes the card rarer. Scarcity is also implemented by timing factors, copy protection, limited manufacturing, and random distribution. These items are all set forth in the patent application in the discussion following that of Figure 5 and before that of Figure 6.

30

The card format is important also because the card may only be valuable if the card is authentic. To the extent that pirated versions of the cards may be available in the market, there is doubt as to the authenticity of the card, and the value and scarcity of the card suffers. The application discusses the provision of the public key/private key encryption technique to allow recipients of the card to confirm the authenticity and source of the card. Authenticity is implemented using an electronic trading card engine in conjunction with the electronic trading card. Again, this is discussed in detail in the application.

One area in which authenticity is implemented in the electronic trading card of Figure 1 is in the area where utility programs are stored, e.g. password protection. Authenticity and password protection may be separate or combined functions in the electronic trading card. Typically, the electronic trading card is authenticated in one of the public keys recognized by the card. Thus, password schemes implement a technique for verifying the authenticity of the card.

Applicant also directs the Examiner's attention to page 10 of the application, at line 5 where a section entitled "ETC Scarcity," is provided. In this section of the application, the words "scarcity" and "rare" and "rarest" are used interchangeably. The concept of scarcity is found at several other places in the application and Applicant's discussion herein is by no means exhausted but merely illustrative.

Applicant particularly draws the Examiner's attention to the examples on page 22 in the application. The Examiner will note that the discussion of a "rare movie card" is identical to that set forth in document BC2 of Applicant's 1.131 declaration. Document BC2 appears at tab E in Applicant's previous submission, toward the back of that exhibit.

With regard to the sufficiency of Applicant's 1.131 declaration in overcoming the cited reference, Applicant refers the Examiner to the MPEP § 714.02 in which it is stated "where the differences between the claimed invention and the disclosure of the

reference(s) are so small as to render the claims obvious over the reference(s) an affidavit or declaration under 37 CFR § 1.131 is required to show no more than the reference shows.” Here, Applicant’s declaration shows considerably more than that of the cited reference and is commensurate in scope with both the disclosure in the Specification and with the scope of claim coverage sought herein. Accordingly, Applicant respectfully requests the Examiner reconsider the Examiner’s refusal to accept Applicant’s declaration under 1.131 and to withdraw the Smith reference as prior art.

3. Claims 9, 13, 33, 34, and 37 stand rejected under 35 USC § 102(b) as being anticipated by Durst, U.S. patent number 5,022,080.

Applicant respectfully disagrees.

Durst merely shows an electronic notary, *i.e.* an authentication scheme. Durst’s scheme takes a document to be authenticated and produces a digest of the document. The digest is hashed with a time code to produce an authenticated document. Nowhere in Durst is there the notion of scarcity. While the Examiner refers to Durst as showing scarcity, a careful examination of the Durst document reveals that Durst’s only concern is with the notion of notarizing electronic documents, *i.e.* the authentication of documents. While an authentication scheme of the kind taught Durst could be used in connection with the practice of the invention claimed herein, the invention claimed herein further includes the notion of a mechanism for producing scarcity, as discussed above and as discussed in great detail in the Specification of the subject application. Accordingly, Durst fails to teach and every element of the claimed invention and is therefore improper as an anticipating reference. Therefore, it should not be cited against the subject application in connection with the issue of novelty. Accordingly, Applicant respectfully requests that the Examiner withdraw the rejections herein in connection with Durst.

4. The various claim rejections under 35 USC § 103 are deemed moot in view of the allowability of the base claims from which the claims rejected for obviousness depend. To the extent that the base claims are allowable, the claims which depend therefrom are also allowable *per se*.

5

5. Applicant notes that the Examiner has made a non-statutory double patenting rejection based on the judicially created doctrine of double patenting. Upon receiving indication of allowable subject matter herein, Applicant will timely file a Terminal Disclaimer in compliance with 37 CFR § 1.321 to overcome this rejection in which
10 Claims 1 and 9 herein would be disclaimed to Claims 2 and 1, respectively, of U.S. patent number 6,200,216.

6. Applicant thanks the Examiner for careful consideration of the discussion presented herein and for an early determination of patentability. Should the Examiner deem it
15 helpful to discuss any of the issues addressed herein with Applicant, he may contact Applicant's attorney, Michael A. Glenn at (650) 474-8400.

Respectfully submitted,

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Michael A. Glenn
Attorney for Applicant
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25 Customer No. 22862